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SITTING DAYS—2012

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FORTY-THIRD PARLIAMENT
FIRST SESSION—FIFTH PERIOD
Governor-General
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,
Mr Anthony Crook MP, Mrs Yvette Maree D’Ath MP, Mr Steven Georganas MP,
Ms Sharon Joy Grierson MP, Dr Andrew Keith Leigh MP, Ms Kirsten Fiona Livermore MP,
Mr Geoffrey Raymond Lyons MP, Mr Robert George Mitchell MP, Mr John Paul Murphy MP,
Mr Robert James Murray Oakeshott MP, Ms Deborah Mary O’Neill MP,
Ms Amanda Louise Rishworth MP, Mr Michael Stuart Symon MP,
Mr Kelvin John Thomson MP, Ms Maria Vamvakinou MP,
Mr Anthony Harold Curties Windsor MP

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

Party Leaders and Whips

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

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

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

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### Members of the House of Representatives

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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

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Clerk of the Senate—R Laing  
Clerk of the House of Representatives—B Wright  
Acting Secretary, Department of Parliamentary Services—R Grove
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<td>Prime Minister</td>
<td>The Hon Julia Gillard MP</td>
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<tr>
<td>Minister Assisting the Prime Minister on Digital Productivity</td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td>Minister for Social Inclusion</td>
<td>The Hon Mark Butler MP</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on Mental Health Reform</td>
<td>The Hon Mark Butler MP</td>
</tr>
<tr>
<td>Minister for the Public Service and Integrity</td>
<td>The Hon Gary Gray AO MP</td>
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<tr>
<td>Minister Assisting the Prime Minister on the Centenary of ANZAC</td>
<td>The Hon Warren Snowdon MP</td>
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<tr>
<td>Cabinet Secretary</td>
<td>The Hon Mark Dreyfus QC MP</td>
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<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>Senator the Hon Jan McLucas</td>
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<tr>
<td>Treasurer (Deputy Prime Minister)</td>
<td>The Hon Wayne Swan MP</td>
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<tr>
<td>Minister for Financial Services and Superannuation</td>
<td>The Hon Bill Shorten MP</td>
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<tr>
<td>Assistant Treasurer</td>
<td>The Hon David Bradbury MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon Bernie Ripoll MP</td>
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<tr>
<td>Minister for Industry and Innovation</td>
<td>The Hon Greg Combet AM MP</td>
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<tr>
<td>Minister for Small Business</td>
<td>The Hon Brendan O'Connor MP</td>
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<tr>
<td>Minister Assisting for Industry and Innovation</td>
<td>Senator the Hon Kate Lundy</td>
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<tr>
<td>Parliamentary Secretary for Industry and Innovation</td>
<td>The Hon Mark Dreyfus QC MP</td>
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<tr>
<td>Parliamentary Secretary for Higher Education and Skills</td>
<td>The Hon Sharon Bird MP</td>
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<tr>
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<td>Senator the Hon Chris Evans</td>
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<tr>
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<td>Senator Cory Bernardi</td>
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<td><strong>Shadow Minister for Trade</strong></td>
<td>The Hon Julie Bishop MP</td>
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<td>(Deputy Leader of the Opposition)</td>
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<td>The Hon Teresa Gambaro MP</td>
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<tr>
<td><strong>Shadow Minister for Infrastructure and Transport</strong></td>
<td>The Hon Warren Truss MP</td>
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<tr>
<td>(Leader of The Nationals)</td>
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<tr>
<td><strong>Shadow Parliamentary Secretary for Roads and Regional Transport</strong></td>
<td>Mr Darren Chester MP</td>
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<td>Senator the Hon Eric Abetz</td>
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<tr>
<td>Shadow Minister for Employment Participation</td>
<td>The Hon Sussan Ley MP</td>
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<tr>
<td><strong>Shadow Attorney-General</strong></td>
<td>Senator the Hon George Brandis SC</td>
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<tr>
<td>Shadow Minister for Justice, Customs and Border Protection</td>
<td>Mr Michael Keenan MP</td>
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<tr>
<td><strong>Shadow Parliamentary Secretary to the Shadow Attorney-General</strong></td>
<td>Senator Gary Humphries</td>
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<tr>
<td><strong>Shadow Treasurer</strong></td>
<td>The Hon Joe Hockey MP</td>
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<tr>
<td>Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation</td>
<td>Senator Mathias Cormann</td>
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<tr>
<td><strong>Shadow Parliamentary Secretary for Tax Reform</strong></td>
<td>The Hon Tony Smith MP</td>
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<tr>
<td>(Deputy Chairman, Coalition Policy Development Committee)</td>
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<tr>
<td><strong>Shadow Minister for Education, Apprenticeships and Training</strong></td>
<td>The Hon Christopher Pyne MP</td>
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<td>Shadow Parliamentary Secretary for Local Government</td>
<td>Mr Don Randall MP</td>
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<td>Shadow Parliamentary Secretary for the Murray-Darling Basin</td>
<td>Senator Simon Birmingham</td>
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<td>The Hon Andrew Robb AO MP</td>
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<tr>
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<tr>
<td>Shadow Special Minister of State</td>
<td>The Hon Bronwyn Bishop MP</td>
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<tr>
<td>Shadow Minister for COAG</td>
<td>Senator Mari se Payne</td>
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<tr>
<td>(Chairman, Scrutiny of Government Waste Committee)</td>
<td>(Mr Jamie Briggs M P)</td>
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<td>The Hon Ian Macfarlane MP</td>
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<td>Senator the Hon Michael Ronaldson</td>
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<td>the Leader of the Opposition on the Centenary of ANZAC</td>
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<td>Senator Gary Humphries</td>
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<td>Shadow Minister for Communications and Broadband</td>
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<td>Shadow Parliamentary Secretary for Primary Healthcare</td>
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<td>Shadow Parliamentary Secretary for Regional Health Services and</td>
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<td>Shadow Parliamentary Secretary for Supporting Families</td>
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<td>Shadow Parliamentary Secretary for the Status of Women</td>
<td>Senator Michaelia Cash</td>
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<td>Shadow Minister for Climate Action, Environment and Heritage</td>
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The SPEAKER (Hon. Peter Slipper) took the chair at 10:00, made an acknowledgement of country and read prayers.

PRIVATE MEMBERS' BUSINESS

Private Members' Motions

Reference to Federation Chamber

The SPEAKER (10:01): In accordance with standing order 41(g), and the determinations of the Selection Committee, I present copies of the terms of motions for which notice has been given by the honourable members for Murray, O'Connor, Werriwa, Denison, Fremantle, Pearce, Melbourne Ports and Flinders. These items will be considered in the Federation Chamber later today.

BILLS

Intellectual Property Laws Amendment (Raising the Bar) Bill 2011 [2012]

Migration Legislation Amendment (The Bali Process) Bill 2012

Reference to Federation Chamber

Ms HALL (Shortland—Government Whip) (10:02): by leave—I move:

That the following bills be referred to the Federation Chamber for further consideration:

Intellectual Property Laws Amendment (Raising the Bar) 2011; and


Question agreed to.

PETITIONS

Mr MURPHY (Reid) (10:03): On behalf of the Standing Committee on Petitions, and in accordance with standing order 207, I present the following petitions:

Marriage

RETAIN THE DEFINITION OF MARRIAGE BETWEEN MAN AND WOMAN

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

We, the undersigned citizens draw to the attention of the House of Representatives assembled, that the definition of marriage as "a union between one man and one woman to the exclusion of all others, voluntarily entered into for life" is the foundation upon which our families are built and on which our society stands. To alter the definition of marriage to include same-sex "marriage", as proposed by the Marriage Equality Amendment Bill, would be to change the very structure of society to the detriment of all, especially children.

We, the undersigned citizens therefore request that the Marriage Equality Amendment Bill 2009, be opposed.

from 40 citizens

Easter Sunday

To the Honourable Members of the House of Representatives in the Parliament assembled:

This petition of certain citizens of Australia draws to the attention of the House that:

• The Fair Work Act does not recognise Easter Sunday as a public holiday in the National Employment Standards. It does recognise Good Friday and Easter Monday.

• Easter Sunday is a day of great significance for the 64% of Australians who identify as Christian and the 30% of Australians estimated to attend Easter Sunday Church services.

• Easter Sunday is part of a recognised holiday break for all Australian people, Christian or not.

• With the exception of Victoria, all mainland Australian States, as well as New Zealand, recognise the significance of Easter Sunday and require shops to close.

• Indeed, the significance of Easter Sunday is widely recognised throughout the Western world by the fact that shops must close on this day in London, Paris, Rome, Milan and Montreal.
The Parliament of NSW unanimously legislated for Easter Sunday to be a public holiday.

We therefore ask the House to:
Amend the Fair Work Act 2009 so as to include, in the National Employment Standards, Easter Sunday in the list of recognised public holidays.

from 67 citizens and 154 citizens

**Defence Force Retirement and Death Benefit Amendment (Fair Indexation) Legislation**

To the Honourable Members of the House of Representatives in the Parliament assembled:

This petition of concerned Australian citizens draws to the attention of the House the need for veterans receiving benefits from the Defence Forces Retirement Benefits Scheme (DFRFB) and the Defence Force Retirement & Death Benefits Scheme (DFRDB) to have their benefits adequately indexed. We therefore call on the House to consider and pass the Defence Force Retirement and Death Benefit Amendment (Fair Indexation) Bill 2010 to ensure that the 'unique nature of military service' is recognised through military superannuation arrangements.

from 74 citizens

**Australian Broadcasting Corporation**

To the Honourable Members of the House of Representatives in the Parliament assembled:

This petition of Australian citizens draws the attention of the House to the ABC's decision to cancel its broadcasting of lawn bowls on free-to-air television.

- The ABC has a Charter set out in section 6 of the Australian Broadcasting Corporation Act 1983 that states it should broadcast programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of the Australian community and further requires it to provide a balance between wide appeal and specialised broadcasting programs.
- Lawn bowls is one of the highest participation sports in Australia with around 800,000 people playing lawn bowls each year.
- 66% of participants in the sport are over the age of 60 but it appeals across generations with many younger people participating socially in the sport, as well as children participating through structured programs such as the Australian Sports Commission's Active After Schools Program.
- Bowling clubs are an important part of the Australian community, particularly in rural and regional Australia.
- Over 300,000 people nationally on average view the bowls broadcast each week, increasing to just under 500,000 people for major tournaments.
- The broadcast of lawn bowls on free-to-air TV not only provides a service to existing members but promotes and profiles lawn bowls to prospective participants.

We ask that the House support the immediate reinstatement of lawn bowls on the ABC.

from 856 citizens

**Pharmaceutical Services**

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

This petition from residents of Hackett, ACT, and surrounds, draws the attention of the House to the fact this community is without reasonable access to the supply of Pharmaceutical Benefits by an approved pharmacist. This community has been denied local access to a pharmacy approved under Section 90 of the National Health Act 1953 due to an unintended consequence of the application of the Pharmacy Location Rules. The current level of supply of Pharmaceutical Benefits to this community does not provide the resident population with reasonable, timely nor adequate access to Pharmaceutical Benefits Scheme (PBS). This denies the community the same access to all PBS services including the full services provided by a pharmacy that is available to neighbouring suburbs. This in turn does not allow residents to improve their health outcomes through access to, and quality use of, medicines in a timely manner.
We ask the House to give the community of Hackett and surrounds reasonable access to the supply of Pharmaceutical Benefits by requesting the Minister for Health and Ageing exercise the Discretionary Power under subsection 90A(2) of the National Health Act 1953 to approve the pharmacy premises at 5/1-5 Hackett Place, Hackett, ACT.

from 1,325 citizens

**Marriage**

**PETITION TO RETAIN THE DEFINITION OF MARRIAGE BETWEEN A MAN AND A WOMAN**

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

We the undersigned citizens draw to the attention of the House of Representatives assembled that the definition of marriage as "a union between one man and one woman to the exclusion of all others, voluntarily entered into for life" is the foundation upon which our families are built and on which our society stands. To alter the definition of marriage to include same-sex "marriage" would be to change the very structure of society to the detriment of all, especially children:

We, the undersigned citizens therefore request that you protect the unique institution of marriage as traditionally understood and actually lived as the complementary love between a man and a woman.

And, as in duty bound will ever pray.

from 44 citizens

**Migration**

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

This petition of friends of Mrs …………… draws to the attention of the House that income directed into superannuation is money that we cannot use to pay off our mortgages. This is particularly vexing as interest rates on mortgages are typically twice those provided by superannuation funds.

I therefore ask the House to legislate to allow home owners to invest their superannuation into their own homes. I realise that unrestricted, this would merely result in the prices of homes skyrocketing, so further request that such an investment only be allowed if a certain minimum amount (as recommended by your experts) was already being paid of the mortgage, to prevent this change being misused.

If the Speaker and honourable members will consider how much money they personally would save should they be allowed to do so, it should become clear how much of a benefit this will be if allowed to ordinary home owners.
Judicial Misbehaviour
To the Honourable The Speaker and Members of the House of Representatives

This petition of 'residents and citizens' draws to the attention of the House, issues of judicial misbehaviours for the Family Law matters DGF 2894 of 2002, now MLC 6683 of 2010, in which obstructions to courses of justice created by laws of the Parliament, s.72(ii) of the Constitution places an obligation on both Houses to cause an Investigation into these s.72(ii) issues and proven.

Judges of the Family and/or High Court have made false claims: an initiating action for an appeal, (seized by the judge and never returned) that never occurred, and challenges to that appeal, that never occurred, occurred with all being dismissed. Also, refused proper hearings for Writ Applications sought to correct judicial misbehaviours, by dismissal without Oral Hearing to conceal the falsehoods and wrongful judicial misbehaviours.

An additional issue within this matter is: are s.34 Writs of the Family Law Act principally defeated by s.39B(1EA) of the Judiciary Act. The AG claimed about 1带领3/11, the Senate recommended, Parliamentary (Judicial Misbehaviour or Incapacity) Commission would be reintroduced to Parliament, where is it?

We pray an Urgent Royal Commission of Inquiry is caused into the above claims, namely.

Have the judicial misbehaviours claimed been committed by the judiciary?

Where is the NSW like Federal Judicial Misbehaviour Committee and why has it not been created?

Who gave the Family Courts Special Instructions for a Transcript not to be produced pursuant to the terms for its production and why?

from 1 citizen

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

This petition of women patients draws to the attention of the House:

We believe that the Government has the health and safety of Australian women and their babies, as a high priority. This includes mothers-to-be and newborns in regional and remote communities.

There have been clearly unintended consequences of the Government's decision to cut the Extended Medicare Safety Net for Obstetrics. Since the
EMSN cuts came into effect on January 01, 2010, there has been a significant shift of births into the overburdened public system.

The Extended Medicare Safety Net used to cover up to 80% of the average charge for obstetrics. Now it covers less than 25%. As mothers-to-be struggling with the cost of living, we feel this is unfair.

Women want choice and access to affordable gold standard pregnancy care, and the greatest opportunity to conceive with effective fertility treatments when necessary. We want to be cared for before, during and post our birth by the doctor of our choice.

We therefore ask the House: to do all in its power to influence the Government to restore the Extended Medicare Safety Net for Obstetrics to cover the average out of pocket costs to women patients and their babies, which is $2,000.

Please listen to our concerns and increase the safety net funding from covering 20% of the costs of having a baby under the care of a specialist to at least 50%.

from 275 citizens

Petitions received.

PETITIONS

Responses

Mr MURPHY (Reid) (10:04): The following ministerial responses to petitions have been received:

Taxation

Dear Mr Murphy

Thank you for your letter of 22 August 2011 forwarding a petition regarding the top tax rates for personal income tax and company tax, submitted for the consideration of the Standing Committee on Petitions. I apologise for the delay in responding.

The petition suggests raising the tax free threshold, increasing the top marginal tax rate, increasing the company tax rate, and differentiating the tax treatment of small businesses.

The Government believes that the current mix of personal, company and indirect tax is an appropriate one, which supports our fiscal strategy. The Government's medium-term fiscal strategy is to achieve budget surpluses on average over the medium term, keep taxation as a share of gross domestic product (GDP) below the level for 2007-08 on average, and improve the Government's net financial worth over the medium term.

The strategy has remained unchanged since 2008-09, this Government's first budget. It has guided our response to the global financial crisis and provides the basis for the Government's commitment to return the budget to surplus. The strategy provides the necessary flexibility for the budget position to vary in line with economic conditions to support macroeconomic stability.

In the Updated Economic and Fiscal Outlook released in February 2009 the Government also committed to take action to return the budget to surplus once the economy recovered to grow above trend. As part of this strategy, the Government will allow the level of tax receipts to recover naturally as the economy improves — while maintaining the Government's commitment to keep taxation as a share of GDP below the 2007-08 level on average — and hold real growth in spending to 2 per cent a year until the budget returns to surplus.

The Government remains committed to keeping tax as a share of GDP at or below the level we inherited in 2007-08. The 2011-12 Budget showed that the Government continues to meet this commitment and estimated that tax as a share of GDP will be 21.8 per cent in 2011-12. This is consistent with the Government's fiscal strategy, which is designed to ensure fiscal sustainability.

The petition suggests raising the top marginal tax rate to 66.6 per cent. The Government appreciates that while the Australian economy has come through the global financial crisis in a stronger position than most other comparable economies, there are many Australians who are still struggling to make ends meet. That's why the Government has delivered $47 billion of tax cuts since coming to office. This includes delivering tax cuts of $750 for a person on $30,000, and the 2011-12 Budget measure to deliver up to $300 of tax relief during the year, rather than at the end of the year. These tax cuts mean that people pay less
tax and have more money to help them meet their expenses.

The Government will deliver an $8 billion package of further tax cuts over the next four years as part of Australia's Clean Energy Future Plan, targeting these tax cuts to low- and middle-income individuals. From 1 July 2012, taxpayers with income up to $80,000 will all get a tax cut. Around 60 per cent of all taxpayers will get a tax cut of at least $300. Further tax cuts will be delivered in 2015 for all taxpayers with incomes up to $80,000, with most receiving a tax cut of up to $385 in total. Those on higher incomes will pay no more income tax as a result of these reforms.

The petition suggests raising the tax free threshold to $30,000. From 1 July 2012, the tax free threshold will be more than tripled from $6,000 to $18,200, and the low-income tax offset (LITO) will be reduced to $445. From 1 July 2015, further tax cuts will increase the tax free threshold to $19,400, with a reduction in the LITO to $300. Regular wage earners with incomes below the new tax free thresholds will get to keep all of their wages in their regular pay packets, and need not go to the effort of lodging annual tax returns. When the LITO is taken into account, people with incomes of up to $20,542 will not have a net tax liability from 2012-13, increasing to $20,979 from 2015-16. At the recent Tax Forum, the Government announced that the statutory tax free threshold would be raised to $21,000, and the LITO fully abolished, when it is affordable to do so.

The petition notes the current tax treatment of businesses, and suggests introducing an alternative treatment for small business. The Government recognises the contribution that Australia's 2.7 million small businesses make to the Australian economy. Furthermore, the Government acknowledges that smaller businesses may experience greater cash flow difficulties than their larger counterparts and that in some cases this can be an impediment to the growth and expansion of these businesses.

Recognising the benefits to investment and growth, company income tax rates have been reduced across Organisation for Economic Co-operation and Development (OECD) countries over the past 30 years. The fall in the average statutory corporate tax rate across the OECD has been fairly continuous. Australia's company income tax was reduced from 36 to 34 per cent for 2000-01 and to 30 per cent thereafter.

A further reduction in the company tax rate will improve Australia's international competitiveness and make Australia an even more attractive place to invest, driving long term economic growth. This will mean more jobs and higher wages for working Australians.

The Government will reward investment and improve our international competitiveness by cutting the company tax rate from 30 to 29 per cent from 2013-14. Small business will be able to receiving this benefit a year earlier, from 2012-13.

The Government has demonstrated its ongoing commitment to supporting small business through its response to the Australia's Future Tax System Review, the 2011-12 Budget and the Clean Energy Future Plan. Together these commitments will increase cash flow, reduce compliance costs and simplify the depreciation rules for small businesses. These initiatives, from the 2012-13 income year, include:

- allowing small businesses to claim an immediate tax deduction for assets costing less than $6,500;
- allowing small businesses to write-off assets costing $6,500 or more in a single depreciation pool at a rate of 30 per cent (15 per cent in the first year); and
- allowing small businesses to deduct up to $5,000 for new and used motor vehicles acquired from the 2012-13 income year, with the remainder of the motor vehicle value to be depreciated at 15 per cent in the first year and then 30 per cent in following years.

The petition also raised concerns about large companies undercutting their prices to drive small businesses out of operation. In general, large businesses may be able to use economies of scale or scope to supply products more cheaply than small businesses. These sorts of efficiency gains are often good for consumers as they will deliver lower prices. The Competition and Consumer Act 2010 (CCA) prohibits anti-competitive conduct,
such as misuse of market power and predatory pricing, and is enforced by the Australian Competition and Consumer Commission (ACCC). Should people be concerned that a business may be breaching the CCA, they may raise their concerns with the ACCC for its independent consideration.

I note that, when the Committee has considered this response, it will be presented in the House and posted on the Committee's website.

Thank you for bringing this petition to my attention.

from the **Treasurer**, Mr Swan

**Importation of Primates**

Dear Mr Murphy

I refer to your letter of 24 November 2011 to the former Minister for Innovation, Industry, Science and Research, Senator the Hon Kim Carr, seeking a response to a petition submitted to the Standing Committee on Petitions which requests an immediate ban on the importation of primates for research purposes. Your letter has been passed to me for reply as the matter lies within my portfolio's responsibilities.

The Australian Government implements the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act). The EPBC Act permits the importation of live CITES listed animals for a restricted number of purposes. Live primates may only be imported for eligible non-commercial purposes such as exhibition, education, research or conservation breeding.

Specifically, import or export permits may be issued for scientific research purposes where the object of the research is to better understand or increase knowledge of the taxon; conserve biodiversity or maintain and/or improve human health.

The CITES Management Authority of any exporting country must not issue a permit authorising the export of any specimens listed on CITES unless it is satisfied that the export will not be detrimental to the survival of that species in the wild; that the specimen was not obtained in contravention of the laws of that State for the protection of fauna and flora; and that any living specimen will be so prepared and shipped as to minimise the risk of injury, damage to health or cruel treatment.

The comprehensive and effective safeguards in place in Australia to ensure that non-human primates are used only for justified, ethical and humane research purposes include compliance with the Australian code of practice for the care and use of animals for scientific purposes (the Code). The Code is published by the National Health and Medical Research Council (NHMRC) and has been variously incorporated into all state and territory legislation. The Code requires the use of non-human primates to be approved by an institutional Animal Ethics Committee (AEC). The AEC must be satisfied that the proposed use of the animals is justified, and that the potential value of the research is appropriately balanced against the potential effects on the welfare of the animal.

All NHMRC-funded research using non-human primates must also comply with the NHMRC Policy on the care and use of non-human primates for scientific purposes which states that non-human primates must be sourced from within Australia whenever possible, and that nonhuman primates imported from overseas must not be taken from wild populations. Imported non-human primates must, under the Policy, be accompanied by documentation to certify their status.

The Department of Sustainability, Environment, Water, Population and Communities works closely with the National Health and Medical Research Council (NHMRC) and is participating in a current review of the Code.

Thank you for writing on this matter.

from the **Minister for Sustainability, Environment, Water, Population and Communities**, Mr Burke

**Mental Health**

Dear Mr Murphy

Thank you for your letter of 13 February 2012 regarding a petition seeking that Wonthaggi be included in the new round of headspace centres to be placed in rural areas.
I note the petition was presented on 13 February 2012 and considered at a recent meeting of the Standing Committee on Petitions. Under Standing Order 209 (b), as the Minister responsible for the administration of the matter raised in the petition, I am responding within 90 days of its presentation.

I appreciate the level of community interest that has emerged about the successful headspace model and that many communities are keen to have a site established in their area. The locations of future headspace sites will be identified by the Australian Government and headspace, in consultation with the state and territory governments and other key stakeholders, on the basis of community need, youth populations, access to existing services and local capacity. The strong community support for a headspace site in Wonthaggi, as evidenced by the recent petition, has been noted.

I would like to advise you that in addition to the roll-out of further headspace sites, a telephone and web-based support service for young people building on the headspace platform has also recently begun providing services. eheadspace provides free, confidential and anonymous counselling services to young people between the ages of 12 and 25 years with, or at risk of developing, a mild to moderate mental illness. This service is an alternative approach for young people to access support and help, particularly for young people living in harder to reach areas, such as more regional and remote parts of Australia. eheadspace can be contacted at www.eheadspace.org.au or on 1800 650 890 (free call).

I would appreciate it if you would convey this information to the next meeting of the Standing Committee on Petitions.

from the Minister for Health and Ageing, Mr Butler

HRL Coal fired Power Station

Dear Mr Murphy

Child Care

I refer to your letter of 15 February 2012 in relation to a petition tabled regarding federal funding for coal fired power stations in Victoria.

I advise that HRL has not received funding in relation to the matter raised in the petition from my Departments and that these matters fall within the responsibility of the Minister for Resources, Energy and Tourism from the Minister for Industry and Innovation, Mr Combet

Child Care

Dear Mr Murphy

Thank you for your letter of 15 December 2011, concerning a petition to the Speaker and Members of the House to delay implementation of the National Quality Framework for early childhood education and care (NQF).

The NQF was agreed by the Council of Australian Governments (COAG) on 9 December 2009, and is the subject of the National Partnership on the National Quality Agenda for Early Childhood Education and Care. Since the COAG announcement, all Australian governments have been working in cooperation with the early childhood sector to implement the NQF in accordance with the National Partnership Agreement.

Research shows that a child's experience in their first five years sets the course for the rest of their life. In recognition of this, key aspects of the NQF will include:

- improved educator-to-child ratios so each child receives the individual attention they need;
- improved national qualification requirements for early childhood education and care educators so staff can lead play and activities that help children learn and develop; and
- a quality ratings system, so families can easily compare the quality of different education and care services and make informed decisions about the best care for their children.

The National Quality Framework took effect on 1 January 2012 under an applied laws system comprising the Education and Care Services National Law and Education and Care Services National Regulations. Under the applied law system, a host jurisdiction (in this case Victoria) passed the law (the Education and Care Service National Law Act 2010) and other jurisdictions.
adopted that law or passed corresponding legislation. All jurisdictions, with the exception of Western Australia, passed the legislation by late 2011. The legislation is expected to pass through the Western Australian parliament in early 2012.

A priority for all governments has been to minimise the cost impact to families from any changes resulting from the implementation of the National Quality Framework. With this in mind, governments decided to introduce the changes to educator-to-child ratios and qualification requirements gradually.

Independent modelling found the average out-of-pocket cost increase for a family on $80 000 would be $8.67 per week by 2014-15 for one child who attends full-time long day care. This is in line with findings of some major providers who have indicated that many centres will have no cost increase.

The first change in ratios, which took effect on 1 January 2012, bought all states and territories to a nationally consistent educator to child ratio of 1:4 for children aged birth to 24 months. All services in New South Wales and Western Australia, along with many services in Victoria and Queensland, already met the 1:4 ratio under previous state regulations.

Further changes to adopt nationally consistent ratios of one adult for every five children aged 25 to 35 months and one adult educator for every 11 children aged 36 months to school age will come into effect on 1 January 2016.

New qualification requirements will also be introduced that will require all adults working with children to have at least a Certificate III qualification in Children's Services, with half of all adults working with children to have a relevant Diploma level qualification. All services will also be required to have an early childhood teacher in attendance while there are children present at the service. These improved qualification requirements will take effect from 1 January 2014.

On 8 January 2011, I released the latest edition of the Australian Government's Child Care Update publication, which shows that more than 950 000 children were using early childhood education and care services in March 2011, which is up 8.2 per cent on the previous year.

The report also shows that the proportion of the family budget being spent on child care has decreased significantly across the income spectrum under the current Government as a result of increased subsidies. In 2004, the out-of-pocket costs for a family with one child in long day care and earning $55 000 a year were 13.2 per cent of their disposable income. In 2008, the Government increased the Child Care Rebate payment from 30 to 50 per cent, so that Australian families would receive more much needed assistance to meet the costs of child care. As a result, by 2011 the proportion of disposable income in the example above had declined to just 7.5 per cent.

Over the next four years, the Government is providing $18.1 billion to assist Australian families with the cost of child care through Child Care Benefit and Child Care Rebate. The Government will continue to work with service providers to ensure that quality child care remains affordable and accessible for all families.

from the Minister for Early Childhood and Child Care, Ms Ellis

PETITIONS

Statements

Mr MURPHY (Reid) (10:05): Today I will discuss some aspects of the most recent public hearings held by the Standing Committee on Petitions in December last year. The committee’s public hearing activities take the committee to where petitions are generated. Capital cities generate a large volume of petitions; however, the committee also considers many petitions prepared by Australians in rural and regional areas across the country. In 2011 the Gippsland region of Victoria had a particularly active community of people engaging in petitioning the House. As such, the first day of Victorian hearings was held in Melbourne, followed by a day in Traralgon, in the Gippsland region.
The House Standing Committee on Petitions does not investigate petition issues; neither does it seek to propose recommendations to government about such matters. Public hearings are therefore held to provide petitioners with an opportunity to speak in greater detail about the issue raised in their petition through a dialogue with the committee. The committee usually selects petitions that have received a ministerial response before considering them at a public hearing as this ensures that a more complete conversation takes place.

One of the standing orders governing petitioning is that petition terms cannot exceed 250 words. This word limit provides a succinct mechanism for issues from the people to be raised in the plenary and for the government to become aware of them. However, elaboration beyond 250 words, which can occur at a hearing, enables a wider and deeper perspective of a matter and provides an opportunity to hear the petitioner’s proposals for rectification or prevention of a problem. Public hearings also enable people in the community to attend in their local area and to learn more about the matter and the parliamentary process. An additional benefit is that the committee can receive feedback about the effectiveness of petitioning processes.

The petitions discussed in Melbourne and Traralgon covered a diversity of topics ranging from agricultural and environmental matters, human services, crime prevention, intellectual property to publicly funded medicines. My colleagues and I who participated found these days to be most valuable. The principal petitioners were articulate and passionate about the matters they represented and it was gratifying to see that regardless of the outcome of the petition these people participated in the hearings in a positive and thoughtful way. Some people also travelled considerable distances to attend. We thank them for their time and effort.

In Melbourne, the committee invited a principal petitioner who had petitioned for the inclusion of a life-saving medicine on the Pharmaceutical Benefits Scheme to discuss her experience of petitioning rather than discuss the petition itself given the medicine had since been added to the PBS. Significantly, this petitioner made the point that although she approached action on her issue in a variety of ways, she felt that the act of petitioning, of going out into train stations, supermarkets and malls, allowed her to directly spread the word and that it was something she and her family and friends could actively do. She also felt that for every signature she collected it represented many more people who later heard about the issue. The principal petitioner debated whether the petition played the key role in realising the action she had requested; however, she valued the investment in speaking to people in the community while collecting signatures.

These comments resonated with many of the petitioners the committee met while we were in Victoria. For example, the principal petitioner for the petition on preventing child sexual exploitation, a petition which gathered over 225,000 signatures, said:

> Whether we are successful in our petition asks or not, I think we are very successful in terms of increasing awareness …

Similarly, the principal petitioner of a petition regarding information processing patents noted:

> I think it was a good way to show people that you are serious about an issue.

At Traralgon, the principal petitioner calling for cattle grazing in the Alpine National Park felt that the high rate of the local community’s willingness to sign his petition indicated to him:
… that we were on the right track with what we were doing.

Also in Traralgon, the principal petitioner on the implementation of the National Disability Insurance Scheme, a long-time advocate for services for the dependant disabled, said she felt that the current ministerial response process better met the information needs of petitioners. She noted:

For the very first time, in all of our petitioning years, we actually have knowledge of an outcome and a response. It is not the response that we want entirely, but it is a response nevertheless.

Finally, these interactions also gave the committee an opportunity to iron out misconceptions about the function of the Petitions Committee and to stress its role as a conduit between the House and the executive, but not as an advocate. The committee looks forward to opportunities to meet with other principal petitioners in different regions of Australia in the future.

COMMITTEES

Agriculture, Resources, Fisheries and Forestry Committee

Report

Mr ADAMS (Lyons) (10:10): On behalf of the Standing Committee on Agriculture, Resources, Fisheries and Forestry, I present the committee's report entitled Advisory report on the Constitutional Corporations (Farm Gate to Plate) Bill 2011 and the Competition and Consumer Amendment (Horticultural Code of Conduct) Bill 2011, together with the minutes of proceedings and evidence received by the committee.

Although the bills have some merit in looking to improve the ways that we market horticulture in Australia, they face some difficulties with regard to the cost of implementing them and also for the people involved in the industry from the producers and growers through to the people who market the horticulture of Australia. Some of the submissions that we received pointed these things out, like identifying a farm gate price. It can be very difficult to do that. How do you do that when it has passed through two or three different hands? Displaying a farm gate price in supermarkets could also be rather difficult for that reason and there were many issues from the submissions that indicated there were impracticalities in implementing some of the clauses of the bills presented to us.

The transparency and accountability asked for in some of the bills were quite good and they are always good to have in these areas of marketing. The more people can see how things are done, the better, in my opinion and that is also what the committee thought. There are complexities in the way costs come together in these areas. The status of existing agreements and contracts, which came about from the code, I think in 2006, are still in place. People using those, from producers to the marketers, are quite happy with them, so it is difficult to find ways through that. With regard to administration and oversight, some of the bills talked about setting up whole new sets of bureaucracies to administer processes and there is always a cost to that. In today's world, where government seeks to have those costs always met with by industry itself, that would not be an easy process.

The committee's conclusion about these concerns are all detailed in the report and the committee's recommendations to the House of Representatives are that the House should not pass these bills. I would like to thank the members of the committee for their work in relation to the inquiry, including the four supplementary members who joined the committee for the purpose of this inquiry. I would also like to thank the individuals and organisations for making submissions to our inquiry. We do appreciate the work done by
those groups. Of course, I also thank my secretariat for the work they did. I commend the report to the House.

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

Health and Ageing Committee Report

Mr GEORGANAS (Hindmarsh) (10:14): On behalf of the Standing Committee on Health and Ageing, I present the committee's report entitled *Lost in the labyrinth: report on the inquiry into registration processes and support for overseas trained doctors*, together with the minutes of proceedings.

Australia has one of the best healthcare systems in the world. Together with a high standard of living, our country presents an attractive option for foreign trained doctors and their families. In coming to Australia many international medical graduates, IMGs, begin by working in a regional, rural or remote area. In most of the regions and rural areas the committee travelled to many IMGs made up the medical workforce. Undoubtedly, IMGs contribute significantly to meeting the healthcare needs of these communities. In doing so, they often become integral to the communities they serve.

The committee's inquiry sought to examine Australia’s system of medical practitioner accreditation and registration. The system was overhauled in 2010 following the formation of the Australian Health Practitioners Regulation Agency. AHPRA’s role is to oversee 10 national health boards. It is one of these boards, the Medical Board of Australia, that is responsible for the new national scheme of medical accreditation and registration. The national scheme was intended to streamline former state and territory processes. Managing the transition from state and territory based processes to a national process has been a significant undertaking.

During the inquiry, IMGs and others told the committee about their experiences with the national scheme. There is no doubt that the transition to the national scheme has resulted in confusion and frustration. A perceived lack of clarity and transparency has left some IMGs feeling significantly disadvantaged or, worse still, deliberately discriminated against.

In formulating the report's 45 recommendations, the committee understands the need to ensure that Australia's high clinical standards continue to be applied without compromise. We started the inquiry with the most important objective, namely, that Australia has very high standards and we wanted those standards to remain high without compromising them at all with the recommendations being tabled here today.

To address the concerns raised, many of the report's recommendations call for improvements to the national scheme's transparency, efficiency and communication. The committee's inquiry canvassed a range of issues that cause concern for IMGs. One of these, the MBA's English Language Standard, was the subject of much comment. Under the standard, IMGs applying for registration must meet a prescribed standard of English language proficiency. A number of IMGs explained that they now had difficulty in meeting the English Language Standard, which has become more stringent under the national scheme. The committee, while not lowering current standards, has recommended that the English Language Standard be reviewed to ensure it is appropriate. The committee also recommended that IMGs who do not pass are given detailed written feedback so that they know the reasons they did not pass a particular part of an exam and so that they know which areas they need to concentrate on.
Another issue discussed at length is the so-called 10-year moratorium. This policy requires IMGs to work for up to 10 years in a designated district of workforce shortage to qualify for a Medicare provider number. As Australia's reliance on IMGs is predicted to decrease in coming years, different strategies will be needed to encourage Australian trained doctors to work in areas of workforce shortage. In view of this the committee concluded that a review of the 10-year moratorium would be appropriate and timely.

The committee also considered the importance of professional and personal supports for IMGs and their families. Access to these types of support is crucial to the recruitment and retention of IMGs. The committee's recommendations seek to enhance and strengthen existing support systems. These include pre- and post-arrival orientation, access to professional development opportunities, and access to peer support networks for IMGs.

In conclusion, I would like to thank all of those who contributed to the inquiry by providing written submissions or by appearing before the committee at one of the many public hearings. In particular, I would like to thank the many IMGs who shared their experiences and provided many insights. I also thank my committee colleagues for their participation and contribution to the inquiry. I also thank the secretariat, Alison Clegg, Muzammil Ali, Belynda Zolotto and the other members of the secretariat, and my staff member Hannah Frank, who worked on this inquiry.

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

Mr IRONS (Swan) (10:20): As Deputy Chair of the Standing Committee on Health and Ageing it is my pleasure to present, along with the committee chairman, the member for Hindmarsh, the results of the many months of hard work the committee has undertaken.

As the committee chairman said in his speech, Australia has one of the best healthcare systems in the world. Together with a high standard of living, our country presents an attractive option for foreign trained doctors and their families. In coming to Australia many international medical graduates, IMGs, begin by working in a regional, rural or remote area. Undoubtedly, IMGs contribute significantly to meeting the healthcare needs of these communities. In doing so, they often become integral to the communities they serve.

At the heart of this inquiry is the shortage of doctors in Australia and the processes that inhibit the ability of Australia to recruit overseas trained doctors. At a local level we have been doing all we can to address this shortage through the campaign for a new medical school at Curtin University, Bentley, in my electorate of Swan. However, due to this shortage there has been a growing demand for overseas trained doctors across Australia and particularly in rural communities to fill medical shortages. Australia has developed a reliance on overseas trained and qualified medical practitioners to fill shortages in supply in recent years. Today an estimated 39 per cent of registered medical practitioners in Australia are international medical graduates. While many overseas trained doctors have been welcomed by communities in need there have been process related problems. This is what this inquiry and its 45 recommendations seek to address. I note the article in today's Australian suggesting the inquiry is about fast-tracking overseas doctors and I would say that fast-tracking doctors from overseas was not the intention of this inquiry. It is about improving process.
The high representation of overseas trained doctors in our medical system makes it important the government ensures that proper registration and support processes are in place. The report tabled this morning focuses on the importance of these processes. The challenge is to establish a system which enables suitably qualified and experienced medical practitioners to work in Australia, while also protecting the health and wellbeing of the Australian public. The work of this committee has been to recommend improvements to this process and to make sure overseas trained doctors meet the professional standards needed to practise medicine in Australia.

Health workforce planning is crucial if governments are to implement workforce policies which ensure that the supply and distribution of medical practitioners is appropriate to meet community healthcare needs. The report tabled in the House today provides 45 recommendations that: explore ways overseas trained doctors can better understand colleges' assessment processes and appeal mechanisms; explore ways to improve community understanding of this process; provide suggestions to improve support programs available through the Commonwealth, state and territory governments, professional organisations and colleges; and suggest ways to remove impediments and provide pathways for overseas trained doctors to achieve full Australian qualification, particularly in regional areas, without lowering standards.

The tabled report is 291 pages. We received over 200 submissions. Of the 216 submissions, 109 were from IMGs, 91 from organisations with involvement in accreditation, registration or recruitment of IMGs, and the remaining 16 were from other interested parties, including academics, co-workers, community members and patients. The committee also conducted an extensive program of public hearings, visiting in every state and territory in Australia and hearing evidence directly from 145 witnesses during 22 public hearings in 12 different cities.

Along with my chairman, I would like to thank the people from the committee and particularly the secretariat, who supported the inquiry all through this process. I would like to particularly thank the opposition whip, the member for Leichardt, for his contributions and his energy in getting this inquiry underway. I would also like to thank, along with the committee chairman, all the people who came and gave evidence at the committee hearings, and particularly those who presented their thoughts in private and in public on the processes in this area that needed to be fixed. In closing, I again thank the secretariat, who did an enormous job in compiling this report and putting it together.

Mr GEORGANAS: I move:

That the House take note of the report.

The SPEAKER: In accordance with standing order 39(d), the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting and the member will have leave to continue speaking when the debate is resumed.

Mr GEORGANAS (Hindmarsh) (10:26):

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

Question agreed to.
Law Enforcement Committee
Report

Mr HAYES (Fowler) (10:27): On behalf of the Parliamentary Joint Committee on Law Enforcement, I present the committee’s report of the inquiry into Commonwealth unexplained wealth legislation and arrangements. Unexplained wealth laws represent a relatively new form of criminal assets confiscation, whereby serious and organised criminals who cannot account for the wealth that they hold may be liable for forfeiture of those assets to the state. The value of unexplained wealth provisions lies in their ability to significantly undermine the business model of serious and organised crime. The incentive behind organised crime is to make money. Removing unexplained wealth from serious and organised criminal networks and associated individuals diminishes the incentive to participate in criminal enterprise. Furthermore, confiscation of criminal profits removes funds that may be reinvested into future criminal enterprise. Removing these funds will significantly disrupt the operations of criminal networks.

The committee was therefore pleased to see the introduction of unexplained wealth provisions into Commonwealth proceeds of crime legislation in early 2010. Unfortunately, the various amendments made during the passage of the legislation through the parliament rendered the legislation so compromised that it became unworkable. In two years of its operation not one unexplained wealth proceedings has been brought before the courts due to a range of limitations and therefore the legislation has not been effective in addressing serious and organised crime.

The committee was therefore keen to examine these provisions more closely, and has made a number of recommendations in this report that will significantly enhance the effectiveness of the Commonwealth unexplained wealth provisions. In particular, the committee has recommended major reform to the way unexplained wealth is dealt with in Australia as part of a harmonisation of Commonwealth, state and territory laws. While complementing the national strategic approach to organised crime, harmonisation may also allow the Commonwealth to make use of unexplained wealth provisions that are not linked to a predicate offence. This approach has been found to be the most effective, both in Australia and abroad.

The committee has therefore proposed that the Commonwealth seek a referral of powers from willing states and territories as part of a long-term plan to develop a nationally consistent approach to unexplained wealth and organised crime. Harmonisation would also help to eliminate gaps that can be exploited between jurisdictions. In addition, the committee has recommended a series of technical amendments that would ensure that unexplained wealth provisions are efficient and fair, correcting deficiencies that were identified during the course of the inquiry. Effective unexplained wealth legislation can attack the profit motive of criminal enterprise and undermine the business model of serious and organised crime networks and will, in itself, protect the community from the damage caused by these individuals and crime organisations.

In presenting the report, I thank the committee for once again delivering a unanimous report. This report has the bipartisan support of all who participated. I particularly want to thank the secretary of the committee, Dr Jon Bell; the senior research officer, Bill Bannear, and the administrative officer, Rosalind McMahon. Dr Bell and Mr Bannear will be leaving the secretariat at the
conclusion of this report to take up other career options. On behalf of a very grateful committee I wish both of them well in their future endeavours. They should know that they have made a remarkable contribution to the work of this committee and, as a result, have participated well in seeking to make a difference to the law enforcement in this country. I commend the report and its recommendations. As I indicated, they are unanimous. I urge the government to ensure that it takes every step possible to ensure that crime does not pay.

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

Mr KEENAN (Stirling) (10:32): I acknowledge the member for Fowler as chair of the committee and compliment him on the work that he has done in preparing this report. He and Senator Parry in particular have had a longstanding interest in unexplained wealth that goes back many years. I know that they have championed the committee's inquiry into unexplained wealth legislation in Australia. This report is the culmination of that. I welcome the report as a member of the committee but also as the shadow minister responsible for justice, customs and border protection.

Serious and organised crime is a serious national security issue, in my view. It threatens the Australian economy, our wellbeing and our Australian way of life. It is very difficult to get an accurate estimate, but the financial cost of organised crime to the community is estimated to be at least $15 billion a year. The Australian Crime Commission informed the committee during the course of the inquiry that, while serious and organised crime groups continue to prove resilient and adaptable to legislative amendment and law enforcement intelligence and investigatory methodologies, the reduction or removal of their proceeds of crime is likely to represent the most significant deterrent and disruption to their activities. We heard lots of evidence from law enforcement agencies during the course of this inquiry. Something that particularly struck me was the evidence provided to the committee by one of the police, who related an incident where he saw a hardened criminal cry when the police came and collected his Ferrari under state proceeds of crime legislation. Clearly, if you can go to the point of the crime, illegal profit, and take it away you can deliver heavy blows to organised criminals. That is why it is very important that the federal parliament look at the regime surrounding unexplained wealth and at ways that we can more effectively use that regime as a deterrent to organised crime.

The committee makes a number of recommendations. Unexplained wealth provisions are a very important tool but unexplained wealth investigations can be particularly intrusive. The committee was aware of that and made a number of recommendations to try to alleviate that prospect: firstly, the inclusion of a statement of intent in the objects clause relating to unexplained wealth, noting that the provisions are for use primarily against serious and organised crime; the leaving in place of judicial discretion about making an unexplained wealth order in cases where the amount of unexplained wealth in question is under $100,000; and, finally, in place of judicial discretion, the introduction of additional oversight by accountability agencies. While this remains an effective tool, we were mindful of the fact that these are very intrusive types of inquiries and so we have sought to provide a framework to alleviate some of that intrusiveness.

We also recommended further support for unexplained wealth investigation. Clearly, agencies need to be properly resourced to be able to go after these ill-gotten gains. We
believe that we need to ensure that ACC examination material can be used as evidence. The committee recommended exploring the possibility that the ACC conduct examinations for the purpose of unexplained wealth proceedings in a manner consistent with proceeds of crime court proceedings. Finally, we recommended the amending of search warrant provisions in the Proceeds of Crime Act to allow for the collection of evidence for unexplained wealth proceedings. The committee made a number of other recommendations that members and the public will be able to ascertain through looking at the committee's report.

I join with the member for Fowler, the chair of the committee, in congratulating the committee secretariat for the work that it put into preparing this inquiry. I believe that this has been a very important parliamentary inquiry. It has the potential to ensure that federal law enforcement agencies have at their disposal the tools to go to the heart of organised crime and to rip away those ill-gotten gains. If we can do that we can make a difference in squashing organised crime, which, as I said, represents a clear national security issue for Australia and is something that, if it remains unfought, can undermine our Australian way of life. I hope that the government takes these recommendations very seriously, as the opposition does.

(Time expired)

The DEPUTY SPEAKER (Mr S Georganas): The time allotted for statements on this report has expired. Does the honourable member for Fowler wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr HAYES: I move:

That the House take note of the report.

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

Report and Reference to Federation Chamber

Mr HAYES (Fowler) (10:37): I move:

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

Question agreed to.

BILLS

Health Insurance (Dental Services) Bill 2012

First Reading

Bill and explanatory memorandum presented by Mr Dutton.

Mr DUTTON (Dickson) (10:38): I introduce this bill, the Health Insurance (Dental Services) Bill 2012, today to redress an injustice that the government appears determined to inflict upon the nation's dental health professionals. My intention is that, once enacted, this bill will require the government to redress past and future inequities that have arisen from the operation of subsection 10(2) of the Health Insurance (Dental Services) Determination 2007. The bill describes the inequities imposed on dental practitioners by the operation of the subsection of the determination and specifies five courses of action which the minister can take to redress these inequities. It establishes a time frame in which action is to be taken and requires a report to be tabled in both houses of parliament, detailing the actions taken.

It is unfortunate that it has come to this, and it would not have done so if the ministers of this government had an ounce of common sense and a skerrick of decency and compassion. Members of this government, both in government and previously when in
opposition, have stubbornly opposed Tony Abbott's chronic disease dental scheme, a billion dollar investment into dental services introduced by the former health minister, Tony Abbott. It provides for general practitioners to refer patients with a chronic disease or complex health problems to dental professionals for treatment up to the value of $4,250 over any two years.

The Rudd and Gillard governments have tried twice to close Tony Abbott's chronic disease dental scheme, but these attempts have been rejected by this parliament. They seek to discredit the scheme simply because Tony Abbott was its architect. Unable to close the scheme, the government changed tack, deciding to denigrate it, perhaps in the hope that this would garner enough public support to force closure. And so we have ministers describing the scheme as full of rorts and being constantly rorted. To date they have produced not one iota of proof to back these claims, yet they continue to make these false allegations. In making the allegations they are slandering the entire dental profession.

Let me make it clear: the coalition does not defend anyone who has done the wrong thing. If there are dentists who have indeed rorted this Commonwealth health program then they should be held accountable, weeded out and punished to the full extent of the law. But that is not what we are talking about here. We are talking about the good, honest, community-minded dental health practitioners who have provided dental services under the chronic disease dental scheme. They have done the right thing by their patients; patients are satisfied with the treatment they have received. These dentists have expended money to provide these treatments; they have bulk-billed, ensuring there were no out-of-pocket costs for the patient in many cases. They have claimed the appropriate Medicare benefits to which they are entitled, benefits that do not always cover the cost of the treatment, only to now find themselves being pursued with demands for repayment from Medicare. Their sin was either a technical failure to provide their patients with written treatment plans and quotations for the services to be provided or failing to forward details of the treatment plan to the general practitioner who had referred the patient for dental treatment. Essentially, they have provided treatments but failed to provide the paperwork as required by subsection 10(2) of the Health Insurance (Dental Services) Determination 2007.

Yes, they have technically breached the law. That is true. But in the eyes of any sensible person clearly they are guilty of a technical breach of the law only. Any sensible or fair-minded person would exercise discretion in their dealings in such circumstances, but that is not what this government or Medicare, under the government's direction, are doing with members of the dental profession. They say they are, but the facts prove otherwise.

In mid-2010 the then Minister for Human Services, Mr Bowen, established an audit task force to investigate the compliance of dentists with the scheme. In a media release at the time he stated:

Medicare Australia has had ongoing concerns about compliance with the scheme, as it has identified dentists claiming for work they have not provided and claiming when they did not meet the legal requirements of the scheme.

He went on to say:

I understand that most dentists try to do the right thing and that the majority of incorrect claiming is accidental.

That is what this government says, but what it does is very different.

11,713 dentists have provided treatment under the chronic disease scheme. They have
provided more than 11 million treatments to around one million Australians, the vast majority of whom are the most needy and who have not had access to dental services for years. That is the scheme that Tony Abbott set up, investing $1 billion into helping those people most in need of dental care. On the latest figures available, Medicare has 933 audits of those dentists either active or under consideration—629 are underway or completed and 89 cases have been closed. Here is the important statistic. Of those 89 dentists, 26 were found to be compliant with the scheme, while 63—basically two-thirds of the dentists—were noncompliant. Ask yourself: in a scheme where two-thirds are noncompliant, is the problem with the dentists or with the government's failure to explain the requirements of those dentists under that scheme? Only 12 of those 63 were found to have not provided the services for which they had claimed benefits and, in some of those cases, it may be that the services were to be provided in the future. So there are some question marks over those 12. It may not be the case that all of them were acting wrongly.

But the important point here is this: the bulk of dental professionals falling foul of the requirements of the chronic disease dental scheme were actually doing so because they were failing to fill in required paperwork. They were not rorting anything. I would have thought that common sense would tell any person or organisation that, when it is finding that two-thirds of a particular group of people are noncompliant with the requirements imposed upon them, something must be wrong in the totality of the situation. There is, and I will come to that later. I do not think anyone would argue that two-thirds of one group of people, in this case dental professionals, are out there deliberately doing the wrong thing or, as the government would have it, rorting this scheme, but dental professionals are being pursued as if that is exactly what is happening and as if they are rorters.

Medicare knows that they are not. Appearing before a Senate estimates hearing in October last year Medicare officials said:

In terms of the claiming behaviour, it is essentially around not providing the treatment plan to the patient, not providing an itemised quote to the patient and not providing a summary or copy of the treatment plan back to the GP. They are essentially the non-compliant activities that have been occurring.

At this point there are hundreds of dentists, dental specialists and dental prosthetists who have been audited and are awaiting a demand from Medicare for repayment of all the benefits they have claimed and been paid. Scores are already dealing with this reality. These actions are having financial, emotional and psychological impacts on people who are respected professionals and community members who saw treating people under the chronic disease scheme as a civic duty. There have been many letters and emails sent to my office. Let me quote from just a few.

The first one says:

I and the bulk of my colleagues have helped a large number of sick and disadvantaged people improve their oral health and then (we) are going to be seriously punished for not complying with certain paperwork requirements which were not properly explained to us. Since I have treated a large number of these people this could send me into bankruptcy.

Another said:

I feel very helpless as the way I see it, my and my wife's and kids' future lies in the hands of a questionnaire that has been sent to patients some three years after the completion of their treatment. How are they meant to remember which date they received a treatment plan from my office. If they get it wrong I would be up for a full refund. I have 11 staff and 4 dentists working in my practices. If I am asked for a hefty refund, I will
have no choice but to go bankrupt and let all these employees go.

Another said:
I looked upon it—
the scheme, that is—
as an opportunity to help the underprivileged and ill people in my suburb … often there were not enough funds available from Medicare yet these patients were treated at no extra expense to themselves …

… the extent of the witch-hunt over alleged rorting … has become unreasonable …

I have become anxious, do not sleep at night and have become extremely stressed since this audit has started.

For most in the dental fraternity, the Chronic Disease Dental Scheme was the first time they had interacted with Medicare. They were not familiar with the paperwork requirements that go with obtaining benefits from Medicare for the provision of health services. In fact, the common practice in dental practice is to deal with matters verbally—to discuss problems and possible courses of treatment with patients. The profession as a whole argues that since the scheme was established in 2007 up until at least mid-2010 most dentists were not properly informed of the requirements placed upon them under the chronic disease scheme. Indeed, some dentists argue that they were still receiving conflicting information from Medicare as late as late last year.

If there is wrong here it is on both sides. Medicare should not be demanding repayment from dentists who have acted in good faith and provided treatment but failed to comply with the paperwork they were expected to file—paperwork requirements they say they were not informed about. The work has been carried out. I commend this bill to the House because it is incumbent upon the government to get this problem right. It is a problem of their own making and they should sort it out. This bill enables the government to do just that.

Bill read a first time.

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

Solar Hot Water Rebate Bill 2012
First Reading

Bill and explanatory memorandum presented by Mr Hunt.

Mr Hunt (Flinders) (10:49): On 28 February this year the government terminated the Renewable Energy Bonus Scheme, or solar hot water rebate. It did so at one minute to five. For most retailers this represented one minute's notice. In essence, there was no warning to retailers, there was no warning to families and there was no warning to blue-collar workers on the shop floor in firms such as Rheem or Dux. I have previously visited the Dux plant in the Southern Highlands and in recent weeks I have had the opportunity and the pleasure of visiting and meeting with workers at the Rheem plants in Rydalmere in Western Sydney and in Welshpool in Perth. In each of those plants I saw the surprise, the shock and the amazement on the faces of workers from right around the world who have made Australia their home and who had believed that this government supported renewable energy. That belief was shattered by the decision announced on 28 February this year.

In presenting the Solar Hot Water Rebate Bill 2012 I want to present three things: first, the facts; second, the problem; and, third, the solution inherent in this bill. Let me set out the facts. On 28 February 2012 there was no notice given; the rebate was terminated immediately. Yet this came against a background where only two weeks previously, on 10 February 2012, in the
budget update the government, through the auspices of Treasury, tabled figures showing that there was $63½ million in this year's budget for the Renewable Energy Bonus Scheme, which is the solar hot water rebate, and $24½ million allocated in next year's budget. What that means in practice is that as of 1 July this year the program was continuing and it was always going to continue. We know that because last year, in the May 2011 budget, the funding was replenished—additional funding was announced. The program was extended. The government's own website reflected that fact. The previous cap on the time period for the Renewable Energy Bonus Scheme was removed from the notice, update and notification issued by the Department of Climate Change and Energy Efficiency regarding that scheme.

The facts are very clear. The government extended this program in May 2011. On 10 February this year, it confirmed that the program was still subject to the extension of funding into the current and future financial years. Against that background, workers, retailers, firms and families had all made plans. A government must be reliable. A government must, first and foremost, seek to do no harm. That is the basis upon which it is able to proceed, and that is the basis upon which people are able to make plans in relation to activities which the government encourages.

Let us remember that the government itself was encouraging firms to engage in either the production of solar hot water units or the retail of solar hot water units. In reality, Australians were purchasing solar hot water units not—as I am informed by the industry—at the rate that the government had expected but at something slightly less than the rate the government had expected. That means that the government's claim that the funds were exhausted is clearly untrue. That claim has been made by multiple members of the government on multiple occasions. There is a simple means of testing it: release the figures as to the amount of money expended under the program this year.

If this program is exhausted, why will the government not release the figures under the Solar Hot Water Rebate Bill? Why will the government not release the figures under its own Renewable Energy Bonus Scheme? The answer is very simple: the government has misled the Australian people with its claims that the money was exhausted. The real purpose was to access the $24½ million contained within next year's budget. The real purpose was to try to bolster what is clearly a struggling surplus—off the back of previous deficits of $27 billion, $54 billion, $47 billion and currently $37 billion but projected to rise. Against that background, the government is seeking to access the $24½ million of next year's funds and, in order to do that, it terminated a program with no notice and no warning.

Let us look at the problem with that practice. On 29 February, the Clean Energy Council issued a press release which said:

The clean energy industry says the unexpected cut of a key government solar hot water program late yesterday will put jobs under threat and make it harder for people to save on their electricity bills.

The release went on:
This decision will immediately affect sales and will put more than 1200 manufacturing jobs and 6000 installation, sales and back office jobs in jeopardy.

The release went on:
Cutting this program without warning in the middle of a financial year is yet another example of stop-start policy making that continues to plague the entire clean energy sector. It has given the industry no time to prepare and makes business planning almost impossible.
It could not have been said more clearly or more accurately than in the words of the Clean Energy Council. Unexpected, in the middle of the year, without warning—those are the key elements as to how this program was terminated. That follows the same practice under the Home Insulation Program, the same practice under the Green Loans Program and the same practice under the Green Start program. This is a government which cannot learn from its mistakes.

Against that background, what is it that we seek to do through the Solar Hot Water Rebate Bill 2012? It is very simple: we seek to hold the government to account for its own pledges, its own promises and its own allocations. The bill has a very simple task: it confirms that all moneys appropriated by the government for the purposes of the Renewable Energy Bonus Scheme should be used for those purposes for the current financial year. Sixty-three and a half million dollars was set aside. The full amount of that money should be used. We would like this bill to go further, but constitutional requirements mean that we cannot allocate moneys not yet allocated by budget for the coming financial year. However, the decent thing, the honourable thing, and the right thing for the government to do would be to stick by its commitment in the May 2011 budget and stick by its statement in the forward estimates from 10 February of this year. In an 18-day stretch the government's funding collapsed. Yet the government has not been able to show that there has been any massive surge in demand for solar hot water over and above what was already budgeted and what was already occurring.

This is a simple, clear bill. It simply seeks to hold the government to its own pledge, its own promise and its own commitment. It operates within the bounds of sections 53 and 56 of the Constitution and it ensures that the legislature is giving the executive an instruction to operate according to the legislation passed in this chamber and in the Senate. There can be no excuse if, by the end of this week, the government, the Greens and the Independents have failed to support action to assist the solar hot water sector to continue on the path upon which it was planning. This is not new funding and it is not a change in policy; it is about maintaining the commitment by the government, and the commitment by the Parliament of Australia, to a section of blue-collar workers, to a section of the retail industry and to a significant section of the Australian public that had relied upon those institutions. For these reasons I commend the bill to the House. (Time expired)

Bill read a first time.

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

PRIVATE MEMBERS' BUSINESS

Minerals Resource Rent Tax

Mr FITZGIBBON (Hunter—Chief Government Whip) (11:00): I move:

That this House acknowledges the importance of the Minerals Resource Rent Tax for the funding of important physical infrastructure in capacity constrained mining regions.

The minerals resource rent tax is a government initiative to ensure that the great wealth which flows from this country's mineral resources is equally and evenly shared across the entire Australian community. We will take the superprofits flowing from the mining sector and redistribute them to all Australians—to the people who actually own those resources. We will do so through both the tax and the superannuation systems.

We will also be redirecting billions of dollars of that revenue back into the mining
regions from which the wealth comes. I of course represent one of those regions and I am determined that many of the issues which arise out of mining are addressed in the communities of my electorate. Mining has brought great wealth to the region I represent and to regions, such as the Illawarra, represented by some of my colleagues. But it has also brought great pressures. The most obvious are the environmental effects—the impact on air and water quality. But they also include higher housing prices, higher rental prices and even higher grocery prices in areas of my electorate. The growth in mining has also brought about enormous capacity constraints—difficulty in securing child care, for example. Employers in my electorate, particularly those in the non-mining sector, are having an extraordinarily difficult time securing employees. I very much welcome the Prime Minister's announcement today and, if I get a chance, I will have something to say about that issue a bit later on.

The capacity constraints arising out of growth in the mining sector are highlighted by transport issues in my electorate. At peak hour these days, the main road through Singleton is like a car park. That is also true of Maitland and Muswellbrook and many other towns in between. And these car parks are pretty heavily potholed—roads in my region are nothing short of a disgrace. The vineyards of Hunter wine country—the jewel in the Hunter region's tourism crown—have the worst roads in the region, not because of tourism traffic but because those roads are also used by thousands of mineworkers travelling from their homes to the mining sites on a daily basis. In Scone, people travelling on the New England Highway, an extension of Scone's main street, now wait up to eight minutes at the level railway crossing while the coal trains go by. This congestion, these problems in wine country and this difficulty we are having in Scone are all directly related to the growth of the mining sector.

This is what the MRRT is all about. It is about taking money from the superprofits earned by the coalmining companies and addressing the capacity constraints directly caused by the mining sector. This will enable us to deal with issues like the Scone level railway crossing, which requires an overpass; bypasses for Muswellbrook and Singleton; traffic congestion in Maitland and elsewhere; and, very importantly for me, the really serious road quality issues we have in the Hunter wine country.

There is a threat—because this money, this new tax, will effectively offset royalties raised by the New South Wales government and other state governments. For too long, the New South Wales state government has been taking money out of the Hunter region and spending it on roads, tunnels and bridges in Sydney. That is no longer acceptable to us. Barry O'Farrell has decided that he will continue to increase the rate of royalties he is collecting at the state level. This is a great disappointment because it breaches faith with the negotiations the Commonwealth had with the state on the introduction of this tax. I remind the people of my electorate and anyone watching this issue very closely that they can have it one of two ways—they can allow us to raise taxes through the MRRT and return that money to mining regions such as my own or they can sit back and allow Barry O'Farrell to continue to increase royalties so he can spend that money on infrastructure in Sydney. (Time expired)

The DEPUTY SPEAKER (Mr S Georganas): Is the motion seconded?

Mr Stephen Jones: I second the motion.

Ms O'DWYER (Higgins) (11:05): For the very first time in this place, I actually rise to agree with the words of the federal
Treasurer. He is 100 per cent right when he says:
... ultimately when it comes to our mining tax reforms, history will judge our actions.
It certainly will. But history can be a very harsh critic.

History will judge the mining tax, the carbon tax and the 20 new or increased taxes which have been brought about by this government. History will also judge the pink batts debacle, the waste and mismanagement of the school halls program, the green loans, cash for clunkers, the complete debacle with the live cattle trade, the set-top boxes, computers in schools, the dismantling of border protection—and the list goes on. History will in fact judge not only this Treasurer but this government. I do not have the same optimism as the Treasurer that the judgment will be in the government's favour, because the MRRT is yet another example of the shambolic way this government governs.

We should not forget that this is not the government's first version of the mining tax. Who could forget the RSPT? Depending on whose version of events you believe, the Treasurer or the former Prime Minister's, the resource super profits tax was introduced without proper consultation—a very common theme with this government—and with no chance for the industry to look at the impact it would have on industry and on investment, particularly infrastructure. It led of course to the deposing of Kevin Rudd as a one-term Prime Minister—something that is quite unheard of.

Let us make no bones about it: this legislation has been cooked up to try to quieten all the voices of discontent and all the alarm that was raised when the government said it was going to introduce this tax. In doing so, it is an admission that the original tax was inherently flawed and that the Treasurer was the architect of this flawed tax. This tax is no better.

The incompetence of this government knows no bounds. Let us understand the circumstances in which this government brought together this tax: the three biggest miners in a closed room, with no public servants, determined this new mining tax. In fact, there were reports that the mining tax was actually written on one of the miner's computers. It is no accident that there is going to be a market valuation method to determine how the tax should come about. This means that smaller miners are going to be disproportionately disadvantaged. They are going to bear the impact of this tax and it means that the investment and risk that they take, and the jobs investment as well, will be under significant threat.

The incompetence of this government knows no bounds. Only last week Bob Carr said, 'Look into our eyes, look into our eyes, there will be significant tax cuts' as a result of this great big new tax. They say, 'Look into our eyes, look into our eyes, there will be an increase in superannuation.' But at the same time that we are looking into their eyes, the Treasurer is reaching around into the back pocket of every Australian citizen and pinching their wallet. This government call this a tax reform, but it is like everything else: a great big new tax hike. Of course, this will be compounded by the carbon tax and the other 20 new or increased taxes that this government have brought about.

The government can only introduce supposed tax cuts by imposing great big new taxes first. We all know that the government are simply talk on this. The government have not delivered tax cuts. The only tax cut they have been able to deliver was the one introduced by the former government when Peter Costello was Treasurer. Since then, all they have been able to do is increase taxes.
That is why we oppose this mining tax.

(Time expired)

Mr STEPHEN JONES (Throsby) (11:10): It is my great pleasure to be seconding the motion by my colleague the member for Hunter on this important issue. Today we are engaged in two important arguments. The first is an argument with those opposite about the concept of the minerals resource rent tax. What motivates us is to ensure that we spread the benefit of the mining boom, that we spread the benefit of the resources boom beyond those mining regions and right throughout the country, that we spread it to every person in Australia who has a superannuation account, that we spread it to every small business and every large business around the country in the form of a tax cut, and that we spread it to those mining areas and elsewhere in the form of additional infrastructure—much-needed economic infrastructure—to ensure that we are able to get these commodities out of the mine heads and to the ports of our nation.

It is not surprising that those opposite oppose it, because every day they stand up with a shovel in their hands and the purpose of the shovel is to dig another few feet in their $70 billion budget black hole. Their intention is to fool the Australian people that they can fill that black hole through a commission of audit. But we know that their intention is to fill it with the jobs of public servants, manufacturing workers, auto industry workers and the like. They will simply not be able to make ends meet without drastically slashing the services and programs of this country.

By 2036, Australia's population is going to exceed around 30 million people. By then, Sydney will have a population of around six million, an increase of 1.7 million on today's figures. That takes me to the second argument and that is an argument by members such as the member for Hunter and myself to ensure that we get a fair share of the fair share—that is, that we get a fair share of that additional pool of money that will be available to fund infrastructure in this country. The growth in population in Sydney and the ensuing economic activity will bring challenges for our infrastructure. It will mean that regional Australia, in particular large regional cities like the Illawarra, Wollongong, Newcastle and the Hunter, will be taking up the slack. We need to ensure that those cities have the infrastructure that is necessary—that is, the rail capacity, the road capacity and the port capacity—to meet those increased needs and to ensure that, as Sydney and Melbourne are bursting at the seams, those regional cities are able to take up the growth capacity.

In my region we know that coalmining is undergoing a resurgence and that is because we have some of the best metallurgical coal found anywhere in the world. Despite the attempts by the Leader of the Opposition to talk down the prospects of the coal industry in my electorate and in the member for Cunningham's electorate, it is literally booming. New longwalls are going in as we speak to increase the mining capacity because if you want steel then you need the high-quality metallurgical coal that comes from the Illawarra.

We have plans to expand the ports. Some of the plans look at doubling, even tripling, the size of the ports. All this puts stress and pressure on our road network and our rail network. We already have an overly congested rail network between Wollongong and Sydney. Over 20,000 people use that road network each and every week to commute to Sydney for work. If we are to have expanding economic activity and expanding freight moving north and south along that route, we need to provide alternate freight passage. That is where the Maldon to
Dombarton rail link comes in. It was cancelled by the former Greiner government because the Liberals have never supported infrastructure projects in the Illawarra. They cancelled it with only 35 kilometres left to be built. Thirty-five kilometres of standard rail gauge needs to be put in to ensure that we can link our port to the inland coalfields, wheatfields, and alternative internodal hubs of Western Sydney. I was very pleased that, when she visited the Illawarra, the Prime Minister pledged another $25 million to review planning and design work to ensure that it is up to speed. But the reality is that without the money—the revenue from the minerals resource rent tax—that rail link will not be completed. We cannot leave it to the Liberals, who have never spent a cent, not a brass razoo, on infrastructure in the Illawarra. We need this tax to pass through the House and we need our fair share in the Illawarra.

(Time expired)

Mr Briggs (Mayo) (11:15): I rise to speak against this motion of the importance of the minerals resource rent tax. It disappoints me that the Chief Government Whip continues down the negative path that the Labor Party takes in this place, using all his time to talk about negative things—to talk down certain sectors of the Australian economy, rather than being positive about what is a truly magnificent performance by the Australian minerals industry at the moment with such wonderful opportunities for them due to growth in Asia. We talk much about it and we hear the Labor Party occasionally refer to it. The Labor Party's approach to that growth is to knock down the minerals industry, to go after the resources sector, to complain about entrepreneurs who do well, to complain that this industry is doing so well that 'we need to find a new way to tax it'. They are pretending that the industry is not taxed already.

The mining industry already pays a 41 per cent tax rate, which is a combination of company tax and royalties paid at the state level. Under the Australian Constitution, mining companies and resources have always been a matter which state governments have taxed outside of the company tax regime, through the royalties regime. The Labor Party feigns concern about the operation of the royalties system, but what this is really all about is another tax grab to cover over their massive budget blow-outs and expenditures, which have seen Australia with a record debt. It is a record deficit which our future generations will be trying to pay back at a time when we will be challenged by an ageing population and all the challenges that were outlined so well by the best treasurer this country has ever had, Peter Costello, in the Intergenerational reports during the 2000s.

This process has highlighted the inability of the Labor Party to govern at the federal level. Thankfully, this Saturday we will get rid of one of this nation's Labor Party governments when Queenslanders toss out a terrible 20-year government, a government that has caused so much pain in Queensland—a state that should be performing better than it is in the current environment, with such opportunities in the resource sector and Queensland such a resource-rich state. What it needs is a can-do person as the Premier of Queensland to ensure that the opportunities of the resource sector are not talked down, as the member for Hunter did for so long in his speech on this motion, and as so many people in the Australian Labor Party tend to do. What we need in Queensland is to take advantage of historic opportunities, not tax them into submission.

This government would have you believe that to make industry more successful you need to tax it more; you need to apply higher
taxes to it and the industry will just adapt to that! It believes more taxes will not impact on investment decisions at all, that it will not increase the sovereign risk of investing in mining and resources exploration, which is already a risky proposition. My colleague at the table, the member for Canning, knows better than most that the great state of Western Australia—where the resources sector has gone through ups and downs throughout its history—is now taking advantage, with a very good Liberal government, of the opportunities which present in our region.

I would say to the member for Hunter: start talking positively about the resources sector. Start talking positively about the opportunities it creates for our country. Stop being so negative. Stop the campaign of personal denigration that we see day in, day out in the Queensland campaign and which we see the member for Hunter engaging in. It is really disappointing from that member in particular. I thought he was better than that.

We know the resources sector has a trickle-down effect through the economy that the Labor Party refuses to recognise. There is no better example than the one which was outlined by the Deputy Governor of the Reserve Bank, Dr Philip Lowe, who is an outstanding thinker in this area. He said in a recent speech:

The indirect effects come through a variety of channels. Day to day, they can be hard to see but they percolate through the economy. In effect, there is a chain that links the investment boom in the Pilbara and in Queensland to the increase in spending at cafes and restaurants in Melbourne and Sydney.

The member for Moreton and the member for Hunter would have us believe otherwise. They would pretend that there is no benefit from this mining boom which is having such great consequences for other industries. They would have you forget that the mining industry pays more tax. The industry already pays $23.8 billion in taxes and royalties, and it is going to be paying an extra tax with the introduction of the carbon tax this year. This government is 'tax and spend Labor'. It is taxing more to cover its massive record deficits, as it tries to engage in social engineering in the tradition of the Labor Party. This motion is a further negative complaint about a great performing sector—a sector we should encourage and not talk down as Labor Party is intent on doing.

Ms HALL (Shortland—Government Whip) (11:21): It is with great pleasure and passion that I rise to speak on the motion that we have before the House this morning on the importance of the minerals resource rent tax. I congratulate the member for Hunter for bringing this very important motion to the House.

This is a motion that has an enormous importance for electorates like the one that I represent in this parliament. It is addressing the capacity constraints that exist in our area and making sure that the minerals resource rent tax is spent in areas such as the one I represent. Those on the other side of the House may not be as aware, as we on this side of the House are, of the important roles the Hunter, Central Coast, and Lake Macquarie have played in mining throughout the ages. They may not be aware of the enormous implications and capacity constraints that have arisen due to the impact of mining. For once, this is about putting some money back into areas that have given so much to Australia and have been responsible for the strength of our economy.

At one stage the Shortland electorate in New South Wales had the most coalmines in the country. I ask myself and the parliament what the mining companies have put back into the electorate as a result of its enormous contribution to Australia and the contribution
of its men in those mines. The answer is: not much. We still have problems with traffic in the electorate, with coal trucks travelling from the mines to the port. There are enormous capacity constraints and problems with dust and other health issues. We have given a lot more than we have received. The minerals resource rent tax is an opportunity for the companies to put something back into areas such as the Hunter and the Central Coast.

The Belmont Wetlands in my electorate have been denuded by mining, and the community has been fighting to ensure the land is rehabilitated and the area becomes available for the people of Shortland. BHP gave the wetlands back to the community, but they gave back a very denuded piece of land. It needs some major infrastructure investment so that we can allow commercial development and community access. For a long time all residents of Lake Macquarie have been arguing for the Glendale interchange.

As I have already indicated to the House, Lake Macquarie has a rich history in coalmining and it has given a lot more than it has received. The minerals resource rent tax is an opportunity to put something back into electorates such as mine and the other electorates in the Hunter. There are 50 coalmines in the Hunter and a port that is responsible for shipping coal out of Newcastle. We have constraints on coal loaders, causing delays for ships waiting to dock and load. I would argue strongly that areas such as the area I represent in this parliament need to have these infrastructure constraints addressed, and how better to address those infrastructure constraints than to implement a minerals resource rent tax?

Mr RANDALL (Canning) (11:26): I am pleased to speak on the motion moved by the member for Hunter, although I have to correct much of what he said. The minerals resource rent tax is a tax based on the politics of envy of those opposite. This tax was born in a tawdry backroom deal by the three big miners—Xstrata, BHP and Rio—and the Prime Minister after she had done a hatchet job on then Prime Minister Kevin Rudd. It was a tax which was bought by a $22 million campaign by the big miners, and that gave them a $60 billion break on their mining tax commitment. This is a tawdry deal that left out the mid-cap miners and left out the juniors, of which there are so many in my state of Western Australia. It is not just a bad new tax; it is a tax born out of illegitimate circumstances. We know that there was to be a resources superprofits tax, but it was headed off.

The member for Hunter talked about the MRRT being a mechanism to redistribute wealth. Have we ever heard as good an example of the left-wing agenda of those opposite as this proposal for a redistribution of wealth? The best thing you can do for the workers of this country is to give them a job, not try in some sort of Centrelink way to redistribute wealth across the nation. In an article in the West Australian on 23 February 2011 headed 'Ditch this dog's breakfast of a tax', Paul Murray says:

A drover's dog could show Julia Gillard that her cobbled together mining tax is a dud.

He goes on to point out the myth being promoted by federal Labor that these minerals are owned by all Australians. No, they are not—they are actually owned by the states. He goes on to say:

The simple truth is that the States have always owned the minerals that Ms Gillard—and Mr Rudd before her—disingenuously tell all Australians are theirs.

They are owned by the states. If you really wanted a proper mechanism which made the collection of revenues across all sectors fair, you would increase the corporate tax. That is
the fairest way to go about it. The states outmanoeuvred Prime Minister Gillard on this. She and former Prime Minister Rudd did not understand how the states levied royalties. Then they had to do a reverse twist when they realised that they had to rebate any increases in state royalties. It is a sovereign risk tax.

If you want any further evidence of this, Mark Cutifani from AngloGold Ashanti has said that Australia's new mining tax is encouraging for mining investment in South Africa, Canada and Brazil, which are major competitors to Australia in the mining field. In Perth, most companies are hedging their bets and looking for alternative mine sites either in Africa or South America, or somewhere in our region, as fallbacks as a result of this increase in taxation. This government will tax anything that it can, and it believes any new tax is a good tax. My electorate has the second-highest number of fly-in fly-out and drive-in drive-out workers in a metropolitan electorate in Western Australia. Those workers know how bad this tax is. They know this is a terrible tax that will hurt their jobs. This is a job-destroying tax that will gradually slow down investment in Australian mining and exploration and eventually send it offshore.

Debate adjourned.

Wild Rivers (Environmental Management) Bill 2011

Mr ABBOTT (Warringah—Leader of the Opposition) (11:30): I move:

That this House:

(1) notes that since the Wild Rivers (Environmental Management) Bill was first introduced on 8 February 2010, it has been referred to the following committees:

(a) the Senate Legal and Constitutional Affairs Legislation Committee which commenced its inquiry on 25 February 2010 and reported to the Senate on 22 June 2010;

(b) the House Standing Committee on Economics which commenced inquiry on 17 November 2010 and reported to this House on 12 May 2011;

(c) the Senate Legal and Constitutional Affairs Legislation Committee which commenced its inquiry on 24 March 2011 and reported to the Senate on 10 May 2011;

(d) the House Standing Committee on Agriculture, Resources, Fisheries and Forestry which commenced its inquiry on 15 September 2011, was due to report to the House on 2 November 2011 and is yet to table a report; and

(e) the House Standing Committee on Social Policy and Legal Affairs on 24 November 2011 with a reporting date which is yet to be determined;

(2) expresses its concern that despite the unprecedented scrutiny for a private Members' bill this House is yet to have the opportunity to vote on this bill;

(3) notes that Noel Pearson and the Cape York Institute have called for traditional owners of land on Cape York to have more control over the way the land is used; and

(4) calls on the Government to allow the members of this House to exercise their vote on this important bill.

This bill was first introduced on 8 February 2010. Since that time it has been referred to no fewer than five separate committee inquiries. First of all there was a Senate Legal and Constitutional Affairs Legislation Committee inquiry. Then there was an inquiry by the House Standing Committee on Economics, which inquired into the second bill in the same terms that I introduced after the 2010 election. It reported in May last year. Then there was a further Senate inquiry by the Senate Legal and Constitutional Affairs Legislation Committee, even though it had, prior to the 2010 election, inquired into the bill. Then there was a House Standing Committee on Agriculture, Resources, Fisheries and Forestry inquiry. Finally, the most recent inquiry was by the
House Standing Committee on Social Policy and Legal Affairs.

That is five separate committee inquiries into a bill that is no more than five pages long. In fact, the operative clause in this bill simply seeks to ensure that Queensland wild rivers declarations should not apply other than with the consent of the relevant traditional owners. That is all my private member’s legislation seeks to do. It seeks to ensure that Queensland legislation on wild rivers will apply only with the support of the relevant traditional owners. It is a very simple point designed to ensure that Indigenous land rights are real rather than simply notional. And there have been five separate committee inquiries into this five-page bill.

Plainly this government is trying to deny my bill as well as the vote in the parliament that it is so scared of. The government is trying to bury this bill and to bury voting on this bill in endless committee inquiries. I say to the parliament: this bill has been inquired into enough; bring it on for final vote, and do it straightaway. That is what should happen.

This is not a government that loves scrutiny. This is a government that has rushed some of the most important legislation through this House with almost no serious committee scrutiny. Yet this simple private member’s bill has day after day, week after week and month after month gone through inquiry after inquiry of committee scrutiny. Well, we can see through the government. It is trying to procrastinate. This is yet another institutional go-slow. It is perhaps not quite as significant an institutional go-slow as the endless Fair Work inquiries into the Health Services Union. Nevertheless, it is of a piece with a government that tries to bury that which is not in its political interest.

I will say again for the benefit of the House that this bit of private member’s legislation is incredibly important if this government’s protestations on Indigenous matters are to be taken seriously. Let me repeat, as I have on previous occasions, the fine statement of the former Prime Minister, the member of Griffith, in this place in February 2008, on the day of the historic apology. The then Prime Minister said:

… unless the great symbolism of reconciliation is accompanied by an even greater substance, it is little more than a clanging gong.

The former Prime Minister was absolutely right. Unless the symbolism is accompanied by substance it is empty noise. My bill is an attempt to give that symbolism some substance. My bill is an attempt to give members of the federal parliament their chance to make land rights a reality, particularly for the people of Cape York, who do not want their economic development to be stymied by more bureaucracy, more green tape. That is the situation now under Queensland wild rivers legislation.

Let me also remind the House that on the very day that this national parliament acceded to the UN Declaration on the Rights of Indigenous Peoples the Queensland parliament, in absolute contradiction, was making various wild rivers declarations to take away the rights of Indigenous people. It is just not good enough. And it is not good enough that this government should try to bury this important bill under endless committee inquiries.

We all know what is happening in Queensland this week. It is the final week of the Queensland election campaign. We also all know the genesis of the Queensland wild rivers legislation. The Queensland wild rivers legislation was born out of a squalid Greens preference deal by then Premier Beattie, followed up by subsequent Premier
Bligh. This parliament should no longer connive in a squalid deal for the Greens and against the interests of the Indigenous people of this country. By not allowing my legislation to be voted on this week, the Prime Minister is engaged in a cover-up with Anna Bligh of something which is vital to the economic interests of the Aboriginal people of Cape York.

Mr Fitzgibbon: Madam Deputy Speaker, I raise a point of order. The Leader of the Opposition has been in this place for a long time. He knows that if he wishes to make an accusation of that severity he should do so by way of substantive motion.

An opposition member: Sit down, you auto electrician!

Mr Fitzgibbon: A bit of elitism!

The DEPUTY SPEAKER (Mrs D’Ath): Order! The Leader of the Opposition has the call.

Mr ABBOTT: Let me just remind the Chief Government Whip that the carbon tax legislation, surely the most significant legislation to be brought into this parliament in the current term, was simply looked at by one single joint committee. There were 19 bills of carbon tax legislation and one single joint committee was given just 19 days to look at that shattering legislation. Here we have a tiny five-page bill that has gone off to five separate committees, which have now dragged on their inquiries for the best part of two years. It just is not good enough.

Let me make this point: this is a government, and a Labor Party, which is happy to pose as a defender of Aboriginal people until that pose runs up against the political interests of the Labor Party. We all know who is running this government. The real power in this government is not the Prime Minister but is, in fact, Senator Bob Brown, the Leader of the Greens. This is a Bob Brown veto that is being exercised over the parliament's consideration of my private member's bill. If members opposite had any real desire to do the right thing by the Aboriginal people of this country, they would say: 'Let us slough off the Bob Brown veto. Let us for once, just for once, put the real interests of Aboriginal people ahead of our political interests and certainly ahead of the political interests of the Greens and Senator Brown.'

To think that the understandable desire of the Aboriginal people of Cape York, who just want to turn their land into more than a spiritual asset, who just want their land to be an economic asset too, is being thwarted by the additional levels of green tape which have been placed upon it by the Queensland Labor government is just scandalous. Time after time, I have been approached by the decent people of Cape York, the Richie Ahmats, the Noel and Gerhardt Pearsons and all of the mayors of the Aboriginal communities of Cape York, who say, 'Please, do whatever you can to take this green-tape strangulation off us.' They want to do the right thing by their communities. They want to do the right thing by their people and see economic development on Cape York go ahead in ways which are consistent with maintaining the extraordinary environmental qualities of that marvellous area.

Do you think for a second that the Aboriginal people of Cape York, who have been the custodians of this land since time immemorial, would for a second do something that is going to prejudice the environment in which they live? Is that what this government thinks, that the Aboriginal people of Cape York are just waiting for a chance to despoil their environment? Shame, if that is what this government thinks. Of course the traditional owners of Cape York are not going to do anything which is inconsistent with the environmental amenity of their land. That is why we should trust
them. We should trust them with the power that my bill seeks to give them. That is why this bill should go for a vote in this chamber this week.

It would be shameful if Labor members of this House, particularly Queensland Labor members of this House, were not forced to declare themselves on this issue this week. They should be forced to declare whether they are standing up for the Aboriginal people of Cape York or whether, rather, they are prepared to defer to Prime Minister Gillard and Premier Bligh in this sordid deal with the Greens. They should be forced to declare exactly where they stand, and that is why this particular resolution of the House is so important.

We have had a lot of sanctimony from members opposite over the years about the importance of Indigenous rights. I think that many members opposite are sincerely wanting to do the right thing by Aboriginal people. That is why it is so shameful that this government has conspired for so long to bury this important but simple and short piece of legislation in these endless inquiries. It is not too late for members opposite who care deeply about Indigenous issues to recover their decency and conscience on this issue and actually get this matter voted upon in this chamber this week.

The suspicion has to arise, if this government continues to bury my bill, that Aboriginal people are being used by the Labor Party, that Aboriginal people are being manipulated by the Labor Party. When you see what this government does, as opposed to what it says, you can understand Aboriginal people feeling that they have for far too long been politically used by the Labor Party rather than politically benefiting from the Labor Party. Just a couple of weeks ago we had the spectacle of the Labor Party passing over, yet again, one of the most distinguished Aboriginal leaders this country has produced, Warren Mundine. A former national president of the Labor Party, no less, and he was passed over yet again, this time for a failed state premier.

The time is coming when Aboriginal people will say: 'This is not good enough. We want to be properly represented by the political parties of Australia and by the parliament of Australia.' That is why this motion of mine is so important.

The DEPUTY SPEAKER (Mrs D'Ath): Is the motion seconded?

Mr ENTSCH (Leichhardt—Chief Opposition Whip) (11:45): I second the motion and I reserve my right to speak.

Could I also acknowledge in the gallery the participants in and winners and runners-up of the 2012 Simpson Prize. I particularly acknowledge Emma Kearney, from St Andrews Catholic College, who was a runner-up. Emma is from Cairns, in the electorate of Leichhardt. Congratulations to each and every one of you for a great effort.

Mr FITZGIBBON (Hunter—Chief Government Whip) (11:46): I join with the Chief Opposition Whip in acknowledging the people in the gallery he has identified.

Not surprisingly, we heard a fair bit from the Leader of the Opposition about this weekend's Queensland election. Maybe that gives us some guide as to what this motion is all about. The interesting thing is that it appears to me that the Leader of the Opposition is looking for some ownership of the Queensland election. Let us be frank with one another. If the polls are correct the Liberal National Party in Queensland will win on Saturday. And there is the Leader of the Opposition desperately trying to cling to that imminent victory and hoping to get some credit and secure some ownership. We should not be surprised given the way he is travelling in the polls.
The House will not be voting upon the subject of the Leader of the Opposition's motion this week, simply because on at least two occasions Senate committees have identified it as a bill with drafting flaws and with enormous implementation issues. I listened very carefully to the Leader of the Opposition, and he would have you believe that the bill we are talking about today is the same bill he introduced in February 2010.

This motion is all about process. It is about the Leader of the Opposition's frustration that his wild rivers bill still has not come to a vote in this place. But what he does not tell members and those sitting in the gallery is that this is not his first bill or his second bill; it is his third bill. The first bill went to a Senate committee and was declared to be hopeless—full of drafting flaws and implementation challenges. The second bill also went to a Senate committee and they found the same thing. The third iteration of his bill went to a Senate committee and they were about to come to the same conclusion but Mr Abbott had the bill withdrawn from the Senate before facing the embarrassment of having it rejected by the Senate. So let us not have him come in here and say, 'What an outrage it is that since February 2010 I have been trying to get this bill through and I have been denied that opportunity because the government does not like my bill or there is a disagreement about the contents of the bill.' That is not true. We are still here debating the Leader of the Opposition's bill, in March 2012, because it is the third version of the bill and it has been rejected consistently by the Senate committee.

As the Leader of the Opposition complains, the bill has also been to House standing committees. Yes, it has but, again, it has been to different committees for different reasons. It has been to different committees because the Leader of the Opposition keeps changing his bill. We can only assume that is a recognition that the various versions of his bill have been flawed.

But this is a motion about process, so let us talk about that. Members of this place, unlike many outside this place, are familiar with the Selection Committee process. It is part of our standing orders in this place and the agreement struck with the crossbenchers after the 2010 election. The committee, just like the Selection of Bills Committee in the Senate, determines which bills or motions submitted by private members will be debated and voted upon in this place. But the Selection Committee does something in addition to that. It determines which bills will be referred to House standing committees for inquiry. The opposition have been abusing this process, choosing to send just about every bill, including the appropriation bills, to a House standing committee. But, worse, they are doing so without identifying what they believe are the faults or even the strengths of the bills or which sections or subsections of the bill they would like inquired into.

I have with me a rather extraordinary statistic. In the 43rd Parliament—that is, this parliament in which we meet—81 bills have been referred to standing committees or joint committees. In the period between 1994 and 2010, some sixteen years, 16 bills were referred to committees. This is evidence that this system is being abused.

What is the outcome? It is that the House standing committees simply cannot do the work. They do not have the time or the resources to undertake all of these inquiries. It is simply impossible. They cannot possibly deal with every bill that comes before the House. And what has been the reaction of the standing committees? It took a bit of time but, understandably and predictably, the standing committees are now saying: 'Enough is enough. We cannot do 10
inquiries at any given time. We simply do not have the capacity or the resources to do so.' Here is where it gets interesting. The bill has been to two different House committees, I concede, but that is simply because the bill keeps changing and on this occasion the members wanted the House of Representatives Standing Committee on Social Policy and Legal Affairs to have a look at the legal side of this bill, which is known to have drafting flaws. The last time the selection committee referred this bill to a House committee it was unanimously agreed by committee members that the committee should reject the proposition that it should be required to look at this bill. Why? Because it does not have the resources. Dr Stone, Mr Vasta and Mrs Moylan were all part of that process.

The Leader of the Opposition came in here this morning to complain that the nasty government is running interference on this wonderful bill that he has had before the parliament since February of 2010. But the truth is that his own backbench is standing in the way of his aspiration to have this bill debated and voted upon in this chamber.

If we are going to talk about process, people in glasshouses should take care not to throw stones. In this hung parliament, the opposition has a hefty responsibility on its shoulders, as we saw this morning on the issue to do with the member for Dobell and pairing arrangements, and it should exercise those obligations and responsibilities sensibly. It is funny how these things often come back to bite oppositions when they choose to do otherwise.

I do not plan to say a lot about wild rivers and the substantive issue. Suffice to say, we are facing a Queensland election and there appears to be some connection, as indicated by the content of the speech by the Leader of the Opposition. But I am advised that traditional owners support the current policy. There does appear to be some link between the election and what is before us.

The government has made an unprecedented commitment to closing the gap in life expectancy between Indigenous and non-Indigenous Australians. Economic development is at the heart of this strategy. The government is working with Aboriginal and Torres Strait Islander people to build lasting change, change that will last beyond the next generation not just to the next election. This is a complex area of policy. What the Leader of the Opposition, out of political opportunism, is trying to do is to destroy the native title acts built over so many years by so many people just to satisfy some people who are on the political campaign trail as we speak. I note that Mr Newman, the putative Leader of the Liberal-National Party in Queensland, seems to be saying one thing in the electorate in Brisbane in which he is a contestant but quite another thing when he visits far North Queensland.

Today the Prime Minister is announcing a very significant skills package that will undoubtedly have positive implications and positive consequences for Indigenous Australia. While the Prime Minister is out announcing her big package, the Leader of the Opposition is in here throwing a tantrum and spitting the dummy because he cannot get his way; because he cannot get his flawed bill voted upon in this place when it suits him.

In the US and Europe tonight politicians will be stressed and talking about how they are going to deal with their economic crises and how they are going to find employment for their people. In the meantime, we here in Australia are talking about how to get people into the jobs that are available. In regions like mine, notwithstanding that unemployment is now around three per cent,
sadly we still have pockets of stubborn high unemployment, particularly among youth. And we have employers, particularly in the non-mining sectors, who cannot find people to fill the jobs that are available. They are the things that the Prime Minister has been talking about this morning and they are the things that we should be talking about here today.

We should not be talking about the frustration that the Leader of the Opposition feels because he is unable to get his private member's bill voted upon. I remind him that he is in opposition. I know that he does not appreciate that much. Maybe he will get another turn in government one day—for the sake of all those working families out there, we hope not—and he will be in a position to change a system in Queensland which was developed in consultation over many years. He should not expect, as Leader of the Opposition, to change the world from over there. He should not get stuck into everyone out of frustration because he is not getting his way. He needs to reflect on the process.

Going back to the selection committee, it has been working very well in extremely difficult circumstances. I acknowledge that the member for Lyne is with us. He sits on that committee and does a very fine job. But I know that he gets frustrated from time to time as well. After a fairly shaky start, when combativeness was the order of the day, people settled down after realising that the best way to make the selection committee function properly was to work cooperatively for the benefit of the parliament and therefore the Australian people. I have to say that that has been ongoing. There are moments when things get a little willing and there are minor disagreements. But there is one constant that consistently undermines the cooperative spirit within the selection committee, and that is the crazy behaviour on the part of the opposition of sending just about every bill introduced into this place to a House standing committee, with all the consequences that that has for the parliament, the chairs of those committees and all the members of those committees.

I said through a media outlet this morning that largely because of the nature of this parliament—the fact that we are a minority government—this is the busiest parliament in the history of Federation. I have no doubt about that. No-one sees that better than me as Chief Government Whip. We on this side have the busiest backbench in the history of the Federation. The Leader of the Opposition has refused to allow coalition members to sit on the speakers panel—what a disgrace that is. We have a relatively small number on the back bench, which by definition is a consequence of minority government. There are more committees than ever before and we need more backbenchers from this side sitting on the Speaker's panel—as you are doing this morning, Madam Deputy Speaker D'Ath—because on that side there has been another dummy spit: inexplicably, the Leader of the Opposition will not let opposition members join the bipartisan Speaker's panel. What a shot that is for democracy! In addition to that, the Leader of the Opposition has given instructions to the Chief Opposition Whip to send every bill to a House committee without any instructions for inquiry. There is no reference about the section of the bill or their concern with the bill and no recognition of the positives of the bill—just do it: 'Because if we can't run this place, we will wreck this place.' But that has come back to bite the Leader of the Opposition this afternoon. That we are not voting on this bill of the Leader of the Opposition is a consequence of the way that those opposite have sabotaged the processes of this place over the last nine months.

Debate adjourned.
BILLS
Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2012
Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2012
Fairer Private Health Insurance Incentives Bill 2012
Returned from Senate
Message received from the Senate returning the bills without amendment or request.

COMMITTEES
Membership
The DEPUTY SPEAKER (Mrs D’Ath) (12:01): Mr Speaker has received two messages from the Senate informing the House of the appointment of Senators to certain joint committees. As the list of appointments is a lengthy one, I do not propose to read the list to the House. Details will be recorded in the Votes and Proceedings.

BILLS
Road Safety Remuneration Bill 2011
Consideration in Detail
Debate resumed.
The DEPUTY SPEAKER (Mrs D’Ath) (12:02): The question is that the amendments be agreed to.

MOTIONS
Customs
Mr MORRISON (Cook) (12:02): I move:
That so much of standing and sessional orders be suspended as would prevent the member for Cook from moving the following motion forthwith—that the Prime Minister immediately commission an independent inquiry into the Australian Customs and Border Protection Service and Australia Post regarding the findings of the NSW Police investigation where up to 220 Glock pistols had been allegedly illegally imported to Australia through the Sylvania Waters Post Office and that the inquiry investigate, report and make recommendations in relation to this specific incident and any related incidents, including:

(1) how, when and why these weapon components were able to be allegedly imported into Australia and evade the detection of the ACBPS and seek to determine accountability for any failures identified;

(2) the adequacy of systems, resources and practice within the ACBPS for the detection of such items being imported and an overview of systems, resources and practices employed, including the impact of budget cuts to ACBPS as well as any institutional arrangements or organisational cultural factors that may adversely impact on the operations and capacity of the ACBPS;

(3) a review and assessment of the risk management strategies employed by ACBPS to assist the detection of the importation of weapons, including intelligence gathering, analysis, enforcement and investigation capabilities and integration with other border and law enforcement agencies;

(4) the level of exposure within Australia’s network of more than 4,400 post office agencies including adequacy of security checks and procedures, the capacity to monitor compliance and proactively identify and investigate irregular activity;

(5) the appropriateness and consistency of the legal framework and penalty regime for the importation of weapons and related offences in the federal jurisdiction with possession, distribution and related offences in state and territory jurisdictions;

(6) any matters relating to the operation and policies of agencies in other national jurisdictions and cooperation with such agencies and other international agencies or Australia’s international relations more broadly; and
an assessment of the current and future level of risk and exposure to weapons importation based on current resources, systems and practices of the ACBPS and Australia Post.

This is an urgent matter that requires the suspension of standing orders immediately.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (12:04): I move:

That the member be no longer heard.

The DEPUTY SPEAKER: Before I consider the motion of the Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations I have before me the motion put by the member for Cook. Under the standing orders it is not available to the member to actually bring on a suspension motion when the order of the day has already been called on. We are not between business items—I had already called on the order of the day. The motion does not relate to the business before the House. I ask the member for Cook to resume his seat for the moment. I will take the member for Cook to section 47 of the standing orders, 'Motions for suspension of orders', and will read it into the Hansard. For the benefit of those present:

(a) A Member may move, with or without notice, the suspension of any standing or other order of the House.

(b) If a suspension motion is moved on notice, it shall appear on the Notice Paper and may be carried by a majority of votes.

(c) If a suspension motion is moved without notice it:

(i) must be relevant to any business under discussion and seconded; and

(ii) can be carried only by an absolute majority of Members.

(d) Any suspension of orders shall be limited to the particular purpose of the suspension.

As I have already stated, the suspension motion does not relate to the business currently before the House.

BILLS

Road Safety Remuneration Bill 2012

Consideration in Detail

The DEPUTY SPEAKER (Mrs D’Ath) (12:07): The question is that the amendments be agreed to. I call the member for Bradfield.

Mr FLETCHER (Bradfield) (12:07): I am pleased to have the opportunity to rise to make some further observations on the set of 64 amendments in relation to the Road Safety Remuneration Bill 2011—
Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (12:07): I move:

That the question be now put.

The Speaker: The question is that the motion be put.

The House divided. [12:12]

(The Speaker—Hon. Peter Slipper)

Ayes.................... 73
Noes..................... 69
Majority................ 4

AYES

Adams, DGH
Bandt, AP
Bowen, CE
Brodman, G
Burke, AS
Byrne, AM
Cheeseman, DL
Collins, JM
Creean, SF
D'Ath, YM
Elliot, MJ
Emerson, CA
Ferguson, MJ
Garrett, PR
Gibbons, SW
Gray, G
Griffin, AP
Hayes, CP
Jenkins, HA
Kelly, MJ
Leigh, AK
Lyons, GR
Marles, RD
Melham, D
Murphy, JP
O'Connor, BPJ
Owens, J
Perrett, GD
Ripoll, BF
Roxon, NL
Saffin, JA
Sidebottom, PS
Smyth, L
Swan, WM
Thomson, KJ
Wilkie, AD
Zappia, A

Albanese, AN
Bird, SL
Bradbury, DJ
Burke, AE
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)
Husic, EN (teller)
Jones, SP
King, CF
Livermore, KF
Macklin, JL
McClelland, RB
Mitchell, RG
Neumann, SK
O'Neil, DM
Parke, M
Plibersek, TJ
Rishworth, AL
Rudd, KM
Shorten, WR
Smith, SF
Snowdon, WE
Symon, MS
Vamvakinou, M
Windsor, AHC

NOES

Abbott, AJ
Andrews, KJ
Baldwin, RC
Bishop, BK
Broadbent, RE
Chester, D
Cobbo, SM
Coulton, M (teller)
Entsch, WG
Forrest, JA
Gambaro, T
Griggs, NL
Hartsuyker, L
Hockey, JB
Irons, SI
Jones, ET
Kelly, C
Ley, SP
Marino, NB
Matheson, RG
Mirabella, S
Moylan, JE
Oakeshott, RJM
O'Dwyer, KM
Ramsey, RE
Robb, AJ
Roy, WB
Schultz, AJ
Seeker, PD (teller)
Smith, ADH
Southcott, AJ
Tehan, DT
Turnbull, MB
Vasta, RX
Wyatt, KG

Alexander, JG
Andrews, KL
Billson, BF
Briggs, JE
Buchholz, S
Christensen, GR
Cobb, JK
Dutton, PC
Fletcher, PW
Frydenberg, JA
Gash, J
Haase, BW
Hawke, AG
Hunt, GA
Jensen, DG
Keenan, M
Laming, A
Macfarlane, JE
Markus, LE
McCormack, MF
Morrison, SJ
Neville, PC
O'Dowd, KD
Prentice, J
Randall, DJ
Robert, SR
Ruddock, PM
Scott, BC
Simpkins, LXL
Somlyay, AM
Stone, SN
Truss, WE
Van Manen, AJ
Washer, MJ

PAIRS

Katter, RC
Rowland, MA
Thomson, CR

Bishop, JI
Tudge, AE
Pyne, CM

Question agreed to.

The Speaker (12:17): The question is that the amendments be agreed to.

The House divided. [12:20]

(The Speaker—Hon. Peter Slipper)

Ayes .................... 73
Noes ..................... 70
Majority ............... 3
Monday, 19 March 2012

AYES

Adams, DGH
Bandt, AP
Bowen, CE
Brodtmann, G
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
Hayes, CP
Jenkins, HA
Kelly, MJ
Leigh, AK
Lyons, GR
Marles, RD
Mellam, D
Murphy, JP
O’Connor, BPJ
Owens, J
Perrett, GD
Ripoll, BF
Roxon, NL
Saffin, JA
Sidebottom, PS
Smyth, L
Swan, WM
Thomson, KJ
Wilkie, AD
Zappia, A

AYES

Albanese, AN
Bird, SL
Bradbury, DJ
Butler, MC
Champion, ND
Clare, JD
Combet, GI
Danby, M
Dreyfus, MA
Elliot, MJ
Ellis, KM
Emerson, CA
Ferguson, LTD
Fitzgibbon, FA
Georganas, S
Gillard, JE
Grierson, SJ
Hall, JG (teller)
Husic, EN (teller)
Jones, SP
King, CF
Livermore, KF
Macklin, JL
McClelland, RB
O’Neill, JM
Parke, M
Plibersek, TJ
Rudd, KM
Ritchie, AL
Ritchie, WR
Smith, SF
Snowdon, WE
Symon, MS
Van Manen, AJ
Windsor, AHC

NOES

Hawke, AG
Hunt, GA
Jensen, DG
Keenan, M
Laming, A
Macfarlane, IE
Markus, LE
McCormack, MF
Morrison, SJ
Neville, PC
O’Dowd, KD
Prentice, J
Randall, DJ
Robert, SR
Ruddock, PM
Scott, BC
Simpkins, LXL
Somlyay, AM
Stone, SN
Truss, WE
Van Manen, AJ
Washer, MJ

NOES

Hockey, JB
Irons, SJ
Jones, ET
Kelly, C
Ley, SP
Marino, NB
Matheson, RG
Mirabella, S
Moylan, JE
Oakeshott, RJM
O’Dwyer, KM
Ramsey, RE
Robb, AJ
Roy, WB
Schultz, AJ
Secker, PD (teller)
Smith, ADH
Southcott, AJ
Tehan, DT
Turnbull, MB
Vasta, RX
Wyatt, KG

PAIRS

Katter, RC
Rowland, MA
Thomson, CR

Question agreed to.

The SPEAKER (12:23): The question now is that this bill, as amended, be agreed to.

The House divided. [12:24]

(The Speaker—Hon. Peter Slipper)

Ayes ...................... 73
Noes ...................... 70
Majority ................. 3

AYES

Adams, DGH
Bandt, AP
Bowen, CE
Brodtmann, G
Burke, AS
Byrne, AM
Cheeseman, DL
Collins, JM
Crean, SF
D’Ath, YM
Elliot, MJ

Ayes ...................... 73
Noes ...................... 70
Majority ................. 3

AYES

Adams, DGH
Bandt, AP
Bowen, CE
Brodtmann, G
Burke, AS
Byrne, AM
Cheeseman, DL
Collins, JM
Crean, SF
D’Ath, YM
Elliot, MJ
AYES

Emerson, CA
Ferguson, MJ
Garrett, PR
Gibbons, SW
Gray, G
Griffin, AP
Hayes, CP
Jenkins, HA
Kelly, MJ
Leigh, AK
Lyons, GR
Marles, RD
Melham, D
Murphy, JP
O'Connor, BPJ
Owens, J
Perrett, GD
Ripoll, BF
Roxon, NL
Saffin, JA
Sidebottom, PS
Smyth, L
Swan, WM
Thomson, KJ
Wilkie, AD
Zappia, A

NOES

Prentice, J
Randall, DJ
Robert, SR
Ruddock, PM
Scott, BC
Simpkins, LXL
Somlyay, AM
Stone, SN
Truss, WE
Van Manen, AJ
Washer, MJ

NOES

Ramsey, RE
Robb, AJ
Roy, WB
Schultz, AJ
Secker, PD (teller)
Smith, ADH
Southcott, AJ
Tehan, DT
 Turnbull, MB
Vasta, RX
Wyatt, KG

PAIRS

Katter, RC
Rowland, MA
Thomson, CR
Bill, as amended, agreed to.

Third Reading

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (12:26): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Road Safety Remuneration (Consequential Amendments and Related Provisions) Bill 2011

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (12:28): I refer members to the speech I gave on the second reading of the legislation just passed, in which remarks were also addressed to this bill, the Road Safety Remuneration (Consequential Amendments and Related Provisions) Bill 2011.
Consideration in Detail

Bill—by leave—taken as a whole.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (12:30): I present a supplementary explanatory memorandum to the bill. I move government amendment (1):

(1) Schedule 2, page 4 (before line 3), before item 1, insert:

1A Application of Part 4 of the Road Safety Remuneration Act 2012

(1) The Tribunal must not deal with a dispute under Part 4 of the Road Safety Remuneration Act 2012 before 1 January 2013, unless the Tribunal is satisfied that exceptional circumstances exist in relation to the dispute.

(2) A person who is entitled to make an application in relation to a dispute under paragraph 40(1)(b) of the Road Safety Remuneration Act 2012 may, by application to the Tribunal, request the Tribunal to consider whether exceptional circumstances exist in relation to the dispute.

Mr TRUSS (Wide Bay—Leader of The Nationals) (12:30): I will not detain the House for long, but I need to respond to this amendment, which is another extraordinary contradiction in the presentation of this bill. This amendment says that the tribunal must not deal with a dispute before 1 January 2013. The government has introduced this legislation, truncated the debate, had a very brief parliamentary inquiry—on the grounds that it needed to be passed quickly through the parliament so that this new body could be set up by 1 July 2012. However, now we are dealing with an amendment which will mean that it cannot actually deal with a dispute until 1 January 2013.

Why all the rush? Why have the committee hearings been truncated? Why is it going to be pushed through the Senate without proper referral to the industrial relations committee of the Senate? Why is it being guillotined through the Senate, when the tribunal cannot deal with a dispute until 1 January 2013?

This is another example. There were 64 amendments we have just concluded debating in relation to the last bill. There is only one this time but, again, the minister provided no justification or explanation. It was so urgent that this bill had to be dealt with so that this body could be set up by 1 July 2012, but now an important part of its work, dealing with disputes, cannot start until 1 January 2013.

I suppose it will get involved in some of the other things that this tribunal is going to do, such as interfering in the contracts between truck drivers and their customers, interfering in the day-to-day activities of people going about any routine business that happens to involve a truck. It will get involved in all that sort of thing between 1 July and the end of the year. But, as far as settling any disputes—something you might think is constructive—is concerned, it cannot start until 1 January 2013 unless there are exceptional circumstances. Of course, we do not know exactly how 'exceptional circumstances' will be defined; it can allow this new body that is going to be set up to wake from its slumber and actually do some of its job, which might happen to be associated with dealing with disputes.
I know that this tribunal has other things that it is supposed to do; many of which are going to make the industry less efficient. It is certainly going to increase union power, and that is a fundamental reason the minister is proposing this legislation. We know that—we know this is the payback for the Transport Workers Union—but we cannot let this body get in the way of settling any disputes.

Mr Shorten interjecting—

Mr TRUSS: I note you have your rent-a-crowd audience here to entertain as well. What they need to know is that they have another six months after this body is formed before it can actually settle any disputes. Who knows whether it is going to settle them in the end or exacerbate them, but the reality is that it cannot do that until 1 January 2013. That is the intent of the amendment before the House. The bill had to be rushed through the parliament; the debate had to be guillotined; we could not have proper committee hearings; we could not bring witnesses forward; the Senate are being denied their intended committee of inquiry, particularly in relation to the industrial relations elements of this bill. All of that is being denied because this body has to get up and be running by 1 July 2012 but it cannot actually hear any disputes until 1 January 2013.

This bill has been handled appallingly by the government right from the very beginning. As I said previously, it began with a report that came out in 2008 but it has taken until 2012 to get it into the parliament. Now it has to be rushed through without proper parliamentary debate—four years doing nothing, and now the parliament, which legislates the laws of this country, has not been given the opportunity to deal with this significant legislation under the procedures of the new paradigm we were supposed to deliver, the forgotten new paradigm. Now that we have reached this stage, all of this has to be done. They were in such a great hurry to set it up, but the tribunal cannot actually deal with anything until 2013.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (12:35): To assist the Leader of the Nationals, this amendment is proposed to assist the tribunal's functioning. Currently the bill confers dispute resolution functions on the tribunal, to commence on 1 July 2012. These amendments provide that the Road Safety Remuneration Tribunal must not deal with a dispute under part 4 of the Road Safety Remuneration Act 2012 before 1 January 2013 unless it is satisfied that exceptional circumstances exist in relation to the dispute. The government has moved this amendment because we understand the tribunal will need some time to establish its operations to consider research, begin formulating work programs and make road safety remuneration orders before commencing its dispute resolution function. Delaying the start date of the dispute resolution function will allow the tribunal to manage the implementation of the bill and will also give industry stakeholders time to become familiar with the new regulatory framework in relation to dispute resolution.

Question agreed to.

The SPEAKER: The question is that this bill, as amended, be agreed to.

The House divided. [12:41]

(The Speaker—Hon. Peter Slipper)

Ayes ................. 73
Noes ................... 70
Majority............... 3

AYES
Adams, DGH Albanese, AN
Bandt, AP Bird, SL
AYES

Bowen, CE
Brodtmann, G
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
Hayes, CP
Jenkins, HA
Kelly, MJ
Leigh, AK
Lyons, GR
Marles, RD
Melham, D
Murphy, JP
O'Connell, BPJ
Owens, J
Perrett, GD
Ripoll, BF
Roxon, NL
Saffin, JA
Sidebottom, PS
Smyth, L
Swan, WM
Thomson, KJ
Wilkie, AD
Zappia, A

NOES

Jones, ET
Kelly, C
Lam, SP
Marino, NB
Matheson, RG
Mirabella, S
Moylan, JE
Oakeshott, RJM
O'Dwyer, KM
Prentice, J
Ramsey, RE
Rudd, AJ
Roy, WB
Schultz, AJ
Secker, PD (teller)
Smith, ADH
Southcott, AJ
Tehan, DT
Tudge, AE
Van Manen, AJ
Washer, MJ

NOES

Keenan, M
Laming, A
Macfarlane, IE
Markus, LE
McCormack, MF
Morrison, SJ
Neville, PC
O'Dowd, KD
Prentice, J
Randall, DJ
Robert, SR
Ruddock, PM
Scott, BC
Simpkins, LXL
Somlyay, AM
Stone, SN
Truss, WE
Turnbull, MB
Vasta, RX
Wyatt, KG

PAIRS

Katter, RC
Rowland, MA
Thomson, CR
Pyne, CM
Abbott, AJ
Bishop, JI

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (12:46): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

MOTIONS

Customs

Mr MORRISON (Cook) (12:47): I move:

That so much of standing and sessional orders be suspended as would prevent the member for Cook from moving the following motion forthwith—That the Prime Minister immediately commission an independent inquiry into the
Australian Customs and Border Protection Service and Australia Post regarding the findings of the NSW Police investigation where up to 220 Glock pistols had been allegedly illegally imported to Australia through the Sylvania Waters Post Office and that the inquiry investigate, report and make recommendations in relation to this specific incident and any related incidents, including:

(1) how, when and why these weapon components were able to be allegedly imported into Australia and evade the detection of the ACBPS and seek to determine accountability for any failures identified;

(2) the adequacy of systems, resources and practice within the ACBPS for the detection of such items being imported and an overview of systems, resources and practices employed, including the impact of budget cuts to ACBPS as well as any institutional arrangements or organisational cultural factors that may adversely impact on the operations and capacity of the ACBPS;

(3) a review and assessment of the risk management strategies employed by ACBPS to assist the detection of the importation of weapons, including intelligence gathering, analysis, enforcement and investigation capabilities and integration with other border and law enforcement agencies;

(4) the level of exposure within Australia's network of more than 4,400 post office agencies including adequacy of security checks and procedures, the capacity to monitor compliance and proactively identify and investigate irregular activity;

(5) the appropriateness and consistency of the legal framework and penalty regime for the importation of weapons and related offences in the federal jurisdiction with possession, distribution and related offences in state and territory jurisdictions;

(6) any matters relating to the operation and policies of agencies in other national jurisdictions and cooperation with such agencies and other international agencies or Australia's international relations more broadly; and

(7) an assessment of the current and future level of risk and exposure to weapons importation based on current resources, systems and practices of the ACBPS and Australia Post.

Mr Albanese: Mr Speaker, on a point of order: the member for Cook sought to move this suspension of standing orders earlier on today. Is it in order, therefore, for the member for Cook to attempt to suspend standing orders again so soon after he attempted to move a suspension of standing orders earlier in the day?

The DEPUTY SPEAKER (Mr Murphy): The earlier attempt was out of order so, for all intents and purposes, this is the first occasion.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (12:50): Thank you, Mr Acting Deputy Speaker. On that basis, I move:

That the member be no longer heard.

That the member be no longer heard.

The HOUSE divided. [12:55]

(The Speaker—Hon. Peter Slipper)

Ayes ....................... 70
Noes ......................... 73
Majority ................... 3

AYES

Adams, DGH               Albanese, AN
Bird, SL                 Bowen, CE
Bradbury, DJ             Brodman, G
Burke, AE                Burke, AS
Butler, MC               Byrne, AM
Champion, ND             Cheeseman, DL
Clare, JD                Collins, JM
Combet, GI               Crean, SF
Danby, 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
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AYES

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  O’Connor, BPJ
O’Neill, DM  Owens, J
Parke, M  Perrett, GD
Piibersek, TJ  Ripoll, BF
Rishworth, AL  Saffin, JA
Rudd, KM  Roxon, NL
Shorten, WR  Sidebottom, PS
Smith, SF  Smyth, L
Snowdon, WE  Swan, WM
Symon, MS  Thomson, KJ
Vamvakinou, M  Zappia, A

NOES

Somlyay, AM  Southcott, AJ
Stone, SN  Tehan, DT
Truss, WE  Tudge, AE
Turnbull, MB  Van Manen, AJ
Vasta, RX  Washer, MJ
Wilkie, AD  Windsor, AHC
Wyatt, KG

PAIRS

Rowland, MA  Bishop, JI
Thomson, CR  Pyne, CM

Question negatived.

The SPEAKER: Is the motion seconded?

Mr KEENAN (Stirling) (12:59): I second the motion, Mr Speaker. I do so because it is urgent that this parliament discuss the cuts to Customs that have been made by the Labor Party in every single one of their budget—

The SPEAKER: Order! The honourable member for Stirling will resume his seat.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (13:00): I move:

That the member be no longer heard.

The SPEAKER: The question is that the member be no longer heard.

The House divided. [13:02]

(AAYES)

Adams, DGH  Albanese, AN
Bird, SL  Bowen, CE
Bradbury, DJ  Brodman, G
Burke, AE  Burke, AS
Butler, MC  Byrne, AM
Champion, ND  Cheeseman, DL
Clare, JD  Collins, JM
Combet, GI  Crean, SF
Danby, M  D’Ath, YM

CHAMBER
AYES
Dreyfus, MA  
Elliot, MJ  
Ellis, KM  
Emerson, CA  
Ferguson, LDT  
Ferguson, MJ  
Garrett, PR  
Gibbons, SW  
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  
Marles, RD  
McClelland, RB  
Melham, D  
Mitchell, RG  
Murphy, JP  
Neumann, SK  
O’Connor, BPJ  
O’Neill, DM  
Parke, M  
Perrett, GD  
Ritchie, WR  
Roxon, NL  
Rudd, KM  
Shorten, WR  
Smith, SF  
Snowdon, WE  
Symon, MS  
Vamvakarakis, M

NOES
Abbott, AJ  
Andrews, KL  
Baldwin, RC  
Billson, BF  
Briggs, JE  
Broadbent, RE  
Buchholz, S  
Chester, D  
Christensen, GR  
Cobb, JK  
Coulton, M (teller)  
Crook, AJ  
Dutton, PC  
Entsch, WG  
Fletcher, PW  
Forrest, JA  
Frydenberg, JA  
Gambale, T  
Haase, BW  
Hartneyker, 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  
Morisson, SJ  
Moylan, JE  
Neville, PC  
Oakeshott, RJM  
O’Dowd, KD

NOES
O’Dwyer, KM  
Ramsey, RE  
Robb, AJ  
Roy, WB  
Schultz, AJ  
Secker, PD (teller)  
Smith, ADH  
Southcott, AJ  
Tehan, DT  
Tudge, AE  
Van Manen, AJ  
Wasler, MJ  
Windsor, AHC  
Prentice, J  
Randall, DJ  
Robert, SR  
Ruddock, PM  
Simpkins, LXL  
Somlyay, AM  
Stone, SN  
Truss, WE  
Turnbull, MB  
Vasta, RX  
Watt, KG

PAIRS
Rowland, MA  
Bishop, JI  
Thomson, CR  
Pyne, CM

Question negatived.

The SPEAKER: I have been advised that as the time allotted for the debate has expired and as it was not possible for me to state the question after the seconder had seconded the motion, there is no vote.

BUSINESS

Rearrangement

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (13:14):

I move:

That so much of the standing and sessional orders be suspended as would prevent the Member for Lyne’s private Members’ business notice relating to the disallowance of the Renewable Energy (Electricity) Amendment Regulations 2011 (No. 5), as contained in the Select Legislative Instrument 2011 No. 222, and made under the Renewable Energy (Electricity) Act 2000, being called on immediately.

Question agreed to.
MOTIONS

Renewable Energy Amendment Regulations
Disallowance

Mr OAKESHOTT (Lyne) (13:16): I move:

That the Renewable Energy (Electricity) Amendment Regulations 2011 (No. 5), as contained in the Select Legislative Instrument 2011 No. 222, and made under the Renewable Energy (Electricity) Act 2000, be disallowed.

If new Senator Bob Carr is to really be the wonderbra for Labor politics—to lift, solidify and focus the fortunes of the ALP—then he surely should be listened to. In one of his opening speeches to the Senate last week he made the point that Australia should keep all its energy options open because use of renewable energy was growing more slowly than expected. It is therefore a surprise that today the Labor Party is choosing to ignore new Senator Bob Carr on the issue of renewable energy and to make it harder for biomass, as a genuine renewable source, to be a contributor to the climate change challenge of our time.

Over the last month there has been a war of scientists—views have been cited both for and against this disallowance motion. But today the chairman of the Centre of Excellence for Climate Change, Woodland and Forest Health has come out publicly and said that the position I am taking should be supported. If Senator Bob Carr is not good enough, what about the chairman of the Centre of Excellence for Climate Change, Woodland and Forest Health? Why would we deny his voice and why would we deny the centre of excellence in developing best policy?

I also put on the record the views of the National Farmers Federation. They have genuine concerns about the loss of opportunity for farmers to contribute to the climate challenge of our time. I received a letter from Jock Laurie which said:

There are huge benefits in utilising woody biomass technology to assist Australia reduce its carbon footprint.

If that is still not good enough, I put on the record the views of the Construction, Forestry, Mining and Energy Union, who I note have made large donations to organisations like GetUp! that have been running a pretty stinging campaign around dead koalas being shredded. Even so, the CFMEU have written in support of this disallowance motion, saying they strongly support the use of biomass in sustainable active forest management.

I also put on the record the views of the very loyal representative of Australasia on the board of the World Bioenergy Association. His letter to me said:

I am not aware of anywhere else in the world where there is this obstruction of use of native forest residues and timber industry processing residues for energy. Over the last six years, I have attended numerous peak conferences in this field in Europe, particularly Sweden, Finland, Brussels, Austria and the USA. And two things stand out. One is that most of the woody biomass being used, always under tight guidelines of sustainable forest management backed up by good research, is from native forests. Second, there are no Australians there from state or federal governments, research or energy organisations, conservation bodies or consulting groups.

If we are serious about taking on the challenge of renewable energy, we must use all sources available. It is all hands on deck. That includes hydro, that includes wind, that includes solar and that includes geothermal. But it also includes bioenergy. That is why I do not understand why the Labor Party today is choosing to make it harder to invest in bioenergy and harder for the forestry sector to participate in addressing the challenge
before this parliament—that of climate change.

I am pretty sure I know what the government will argue today. They will argue three things. Firstly, they will argue that the RET scheme is only about ecologically sustainable activity. But, by law, forestry in Australia is to a standard of ecological sustainability. Sure, there might be all sorts of enforcement issues on the ground, but the law says forestry in Australia must be to an ecologically sustainable standard. It therefore meets the objectives of the RET scheme.

Secondly, we will hear from government that it is double-dipping—that getting support through both the carbon scheme and the RET subsidy is somehow unfair. They will make that argument despite the fact that all other renewables and all other forestry options can participate in both the scheme to price carbon and the renewable energy scheme. For some reason, apparently, we have to isolate native forestry. Somehow this is the bogey in renewables that must be stopped at all costs. I disagree with both of those arguments and I will point out why.

For me, that leaves only the third argument that I reckon we will hear from government speakers—concerns about potential unintended consequences and fears about loss of biodiversity. Concerns around those fears or unintended consequences are real. I accept those, but they do not beat science and they do not beat international comparative work. That is surely where best policy should come from—from the science and the international comparative work that clearly show those fears are unfounded and that those fears are ideologically driven rather than driven by fact and best policy.

I am not a lone voice on this. We have heard from the NFF, the CFMEU and people who represent Australia on world bioenergy associations in international forums. My local branch of the climate change association of Australia have said they do not want to be a party to any form letters from environmental groups that are doing the rounds. They understand that it should be all hands on deck in dealing with the challenge of renewable energy and the transition to a low-carbon economy.

The disappointment today is that the Australian parliament is choosing to intervene in the renewable energy market and make one sector harder—that is, biomass. Genuine renewables, including wind, solar, geothermal, hydro and bioenergy all have their place. Rather than encouraging and supporting bioenergy within a market, today we are making it harder and calling it a non-genuine option, despite all world evidence to the contrary. Today, I expect to lose this debate based on the latest counting. It will only be by one or two, and that is a disappointment and a frustration. It is a disappointment that bioenergy is not considered a genuine renewable energy in Australia and a frustration that many voting against this disallowance motion in their heart of hearts know they are not voting for best policy.

This disallowance motion is based on two very simple, sound and sensible principles. The first is that the private sector engagement in sustainable active forest management is a good thing in Australia and it is to be encouraged. It is not a bad thing to be discouraged. We use wood and paper in our economy, and we need to find a source for these products somewhere, preferably domestically. The second principle is that biomass and bioenergy do have a place in a genuine renewable energy market and do have a place in tackling climate change. Encouraging a biomass and bioenergy industry to develop is a good thing for Australia and is to be encouraged, not a bad
thing to be discouraged. If it is, as I say, all hands on deck in reducing carbon, then biomass and bioenergy surely deserve support and encouragement alongside other carbon-reducing options. Science supports this and international comparative work supports this, so why don't we as an Australian parliament?

If we accept these two broad and sound principles that encourage investment in the landscape, encourage investment in active forest management and encourage investment in more renewable options as one of the many parts in the story of tackling climate change then the logic follows that we should be encouraging investment in existing wood waste for energy by disallowing this regulation, rather than allowing this regulation to pass so that we leave wood waste as pollution. By allowing this flawed and unscientific regulation, we will be allowing greater use of coal, we will leave wood waste to be burnt as nothing other than pollution and we potentially increase the trade imbalance in wood and paper products from less sustainable forestry practices. Where in any of that is thinking globally and acting locally? Where in that are any sensible environmental outcomes? If this regulation is owned by the Greens, it will do little to deliver on that party's platform. In my view, it will do the complete opposite to what they want to achieve as it will encourage the burning of more coal, create more pollution and increase less sustainable forestry practices throughout the Asia-Pacific.

It is a fact that forest residues generally and native forestry residues in particular have the potential to supply low-cost renewable energy and reduce carbon emissions without increasing native forest harvesting or threatening ecological sustainability. This is a fact and no fear-based campaign can change this known fact. This was identified in the report from the Standing Committee on Agriculture, Resources, Fisheries and Forestry. On the last sitting day of last year, that committee made the following recommendation:

… bioenergy sourced from native forest biomass should continue to qualify as renewable energy where the biomass is a true waste product and does not become a driver for harvesting native forests.

This was a bipartisan committee, with unanimous recommendations, chaired by the very good Labor MP Dick Adams, whom I suspect Labor will now pair due to the absence of my colleague Bob Katter and stop him doing his job of being a representative in this parliament. I hope that is not the case.

As a related issue to this committee's work, from a parliamentary procedure point of view, if we are serious about this investment in committee work in the 43rd Parliament then what are we saying about us as a parliament that a committee delivers a report that makes recommendations and then the very next day a minister brings in a regulation that does the complete opposite? At the very least, we should digest, reflect and debate the recommendations made rather than allow a minister to dismiss the work done by a parliamentary committee with no consideration at all. This is a sound committee doing sound work and making sound recommendations. Why are we as a parliament choosing to ignore its work?

As per the recommendation, the former regulation was good law and this new regulation is not. We do not need to deny the option of treating wood waste as genuine renewable energy as it contributes to lower carbon emissions and more investment in renewables. It is part of the symphony of genuine renewables—hydro, wind, solar, geothermal and bioenergy. They all talk to each other and there are co-benefits from having all in the field working as hard as
they can. Under the original law, all mills could access renewable energy certificates under current arrangements such as regional forestry agreements, meeting the known legal standard of ecologically sustainable forestry as well as the higher value test whereby no tree was or is harvested for energy; rather the primary purpose must always be for a value adding process such as furniture, flooring or wood products. It is therefore only the residue, at the very most approximately 15 per cent of a log, that we face a choice on in Australia. We either burn the wood waste as pollution or we encourage it to be burnt for energy. I say we convert this waste product to renewable energy rather than add further to pollution in Australia. I also add that, under the original law, very good work was being done by the Forest Stewardship Council and similar bodies. There was a point of engagement between foresters and environmentalists working on lifting standards throughout the industry. This is the place for arguments about on-the-ground definitions of what is, or is not, waste and on-the-ground issues of enforcement of the legal standards of rule of law in this country around ecological sustainability. These are real issues that should be appropriately dealt with through these bodies. But these are not arguments to say the law itself is bad and I hope, whichever way this vote goes, that the very good work of bodies like the Forest Stewardship Council continues to tackle these thorny on-the-ground issues that make this such an emotive community debate throughout Australia.

Over the past month this climate change debate has, in a fascinating way, turned into a forestry debate. That is okay because none of this is inconsistent with my views on forestry. I believe in a strong forestry policy that encourages the establishment of plantations, that ceases logging old-growth forests, that makes a proper long-term commitment to, and investment in, forest monitoring. I believe in a strong forestry policy to improve the reserve system for forests, to improve forest management and develop more ecologically sustainable logging systems, to develop new ways to improve integration of farm forestry with on-farm management and on-farm biodiversity conservation, to reassess sustained yield calculations for production forests to avoid resource overcommitment, to complete a climate change vulnerability assessment for forests, to develop much-improved fire management practices for forests, to make proper investments in forest research and, most importantly, to lead globally by building a sustainable forestry industry locally. To lead, we need to encourage the private sector to engage in sustainable practices. None of what I am suggesting today is inconsistent with any of that. None of this forest review is inconsistent. If we are going to vote this disallowance down, and allow this regulation, it will be a lost opportunity.

I add to anyone who is opposed to this disallowance: they need to explain the trade imbalance of $1.9 billion in wood and paper products. We still use more wood and paper in our economy than we produce domestically. The 'think global, act local' motto must surely prick the conscience of colleagues about where wood and paper is going to come from. Is it coming from forests with less sustainable forestry practices than our own? It pricks my conscience and it is for this reason I say we should not export our guilt by importing more wood and paper products from less-sustainable forests in our region. I say we deal with the trade imbalance and lead our region in building the most sustainable active forestry industry that we can—one that is encouraged by public policymakers and
attractive to private investors so that we can see more use of trees in tackling carbon reductions.

That could mean using wood waste instead of coal in the electricity grid, using wood as a substitute for more carbon intensive products and keeping trees in the ground for biological carbon capture and storage and carbon sequestration. I am a strong believer that the landscape always wins out over the man-made and the landscape is the answer to climate change. That is why I argued for the $1.7 billion land sector package, as part of the clean energy package, and it is why this ongoing land sector package will be the standout legacy of this parliament from the negotiations of last year.

There has always been debate about where and how wood is harvested in Australia's forests. This forestry debate has become a climate change debate with the claim now made that a ban on biomass energy from native forestry would be a positive for climate change—a claim that is just plain wrong. Firstly, we have to recognise that we use wood in our economy and it is a substitute product. By using wood in preference to concrete, plastic, metal and steel we achieve carbon benefits. Secondly, we have to recognise that where there is native forestry there will be residues and it is wasteful to let them burn, only to become fugitive emissions, when they could be used to displace high-emission fossil fuels. Thirdly, the more narrow we make the field of allowable alternative energy sources, the harder and more expensive it becomes to deal with climate change. Finally, while Australia is importing a net $1.9 billion in wood products each year, to not allow any native forestry biomass use is just exporting our responsibility for good forestry practices and for carbon reduction.

There has been correspondence received on this topic over recent weeks and I apologise to all MPs for their increased workload. But a fundamental mistake underpinning the campaign from GetUp!, the AYCC and the Greens network is their argument that biomass as renewable energy will change the economic fundamentals of native forestry. It does not and will not. Because of time restrictions, I seek leave to table some of the letters that I have referred to, received from people who are concerned about the place that bioenergy takes.

Leave granted.

Mr OAKESHOTT: I strongly support Australia's high degree of protection from harvesting, through reservation and protection, for native forests. Do not get me wrong on that. But I cannot accept a total ban. It does not make sense for forestry and it does not make sense for climate change. (Time expired)

The DEPUTY SPEAKER (Mr Murphy): Is the motion for disallowance seconded?

Mr JOHN COBB (Calare) (13:36): I second the disallowance motion moved by the member for Lyne on the Renewable Energy (Electricity) Amendment Regulations 2011 (No. 5). This disallowance motion is simply one of common sense, not hypocrisy. The coalition does not support the amendment. We support the member for Lyne's disallowance of the amendment. Disallowance of the new regulations would maintain the status quo which we would, when in government, seek to improve in line with the coalition forestry policy of 2010. It is not new, but it is based on common sense and practical measures. A coalition government will reintroduce amendments to the renewable energy legislation allowing wood biomass to benefit from energy incentives available to other energy
resources. The regulations put forward by the government prevent any biomass derived from native forests, be they privately or publicly held, being declared eligible for renewable energy credits under the renewable energy target scheme. That is hypocritical, especially for a government that has introduced a carbon tax specifically to reduce emissions and to make the world more sustainable. How can they possibly put forward amendments to their own legislation that will actually reduce the ability of Australians to reduce emissions? Previously biomass from native forests was eligible provided the primary purpose for harvesting the timber was not biomass for energy production and that the logging activities complied with a number of other criteria designed to ensure relevant Commonwealth, state or territory planning and approval processes associated with ecologically sustainable forest management principles were met, such as regional forest agreements and comprehensive, adequate and representative reserve systems.

This is a prime example of the government being held hostage by the Greens. As if we ever had any doubt about it, this proposed amendment to the regulations proves that the Greens are running the country. If forests are being sustainably harvested, surely it is common sense to make use of the offcuts and leftovers to maximise the use of the harvested timber. What else should we do with it? Throw it back into the old-growth forests so that it can simply add to the methane emissions of those mature, old-growth forests? That is what happens. There is currently untapped potential in our forests. Without cutting down a single extra tree, Australia can generate up to 3,000 gigawatt hours of energy using wood waste over and above what is already being done. This is an enormous contradiction from the government. It wants to cut emissions via a carbon tax—and no-one in Australia except they and the Greens want that, and by 'they' I mean not Labor people in Australia but the Labor Party in this House—but is excluding a vital renewable resource that could reduce our carbon imprint. It is pure hypocrisy to deny the opportunity to make use of wood waste for renewable energy within 3½ months of introducing a carbon tax.

This lack of understanding underpins the whole of the government's approach to carbon emissions, and it certainly highlights why we should get rid of this government. We should get rid of the carbon tax and implement practical programs that reduce emissions. On 1 July the government's new tax will begin. It will bring about a massive redistribution of wealth, it will be a massive tax to fund government spending and it will not be a tax at all related to cutting emissions. That is underlined by the disallowance motion of the member for Lyne, which we are supporting. This government is not interested in common sense—it is so desperate to hang onto government that it will do anything the Greens want. The Greens just want to shut down sustainable forest harvesting, and this is just another in a long line of changes meant to make sustainable harvesting of native forests more uneconomic in an effort to drive the timber harvesters out of business. This is having no regard for the loss of jobs or the effect on communities that depend on the economic benefits of timber production. It must be hard for some members of parliament who come from places like Tasmania and perhaps even the Central Coast of New South Wales to tell their constituents why they are going to make their communities, not just their forests, less sustainable. We are not just talking RETs here; we are talking about making communities less sustainable.
Perhaps members from electorates in Tasmania and along the coast of Australia, for whom this issue is a big deal, should be listening to their constituents for a change. Do government members care? Obviously they do not. Do they make sense? Obviously they do not. It this about sustainability? Obviously it is not. We have already seen from the water buybacks in the Murray-Darling Basin that those opposite do not care. In the basin they could have invested in water infrastructure and efficiencies to return water to the environment without any cut in production. In their rush to please the Greens and in their rush to simply say they were doing something, they have bought back incredible quantities of water with no plan for how they will or even can use it. They do not care about regional communities and they most definitely do not care about jobs—except for their own jobs, and they will do anything to hang onto power. I congratulate the member for Lyne for standing up to the government. No rational perspective can support the regulations. This change has been conceived and designed to hurt the forest industry, and that in turn will damage regional communities, depriving them of future opportunity and inhibiting the reduction of carbon emissions.

The overwhelming weight of science supports the use of native forest biomass for energy generation. This is not just me as a farmer who happens to be in parliament going crook—people who have spent their lives studying these things are supporting the use of native forest biomass for energy generation. The 1,200 members of the Institute of Foresters of Australia, an organisation strongly committed to sustainable forest management, sustainable use of biodiversity, conservation and the provision of sustainable livelihoods, support the use of native forest residues for energy production. The vocal minority should get in touch with the Institute of Foresters and get the facts about greenhouse gas emissions, wood waste and native forests. A group of 50 eminent Australian forest scientists have provided their considerable weight in support of the continued publication of native forest residues for the RET scheme, providing tangible evidence that the clear weight of science supports this position. Most Australians know that the stated intention of the Greens is to completely end the native forest timber industry in Australia, even though this is not supported by any credible evidence. I am embarrassed that an Australian government could stoop to taking such steps just to remain in power.

The DEPUTY SPEAKER (Ms AE Burke): It being 1:45 pm, the debate is interrupted in accordance with standing order 43. The debate may resume at a later hour, and the member for Calare will have leave to continue his remarks.

STATEMENTS BY MEMBERS

Boothby Electorate: Olympic Swimming Trials

Dr SOUTHCOTT (Boothby) (13:45): Since 1900 swimming has been Australia's most successful sport at the Olympic Games. Few countries around the world would stop for a swimming race the way Australia stopped to watch Kieren Perkins, Susie O'Neill, Ian Thorpe and Grant Hackett's races in recent times. The latest crop of Olympic hopefuls have been competing at the Olympic trials this week at the South Australian Aquatic Centre. I would like to thank the Chief Executive Officer of Swimming Australia, Kevin Neil, and the board for making the decision to hold the Olympic trials in Adelaide. I had the pleasure of attending the swimming meet on Friday and Saturday this past weekend to watch some of the great racing and results.
At 26, Leisel Jones has made history as the first Australian swimmer to qualify for four Olympic Games. Nick D'Arcy qualified with the fastest time this year for the 200-metres butterfly. Kylie Palmer set an Australian record in the women's 400-metres freestyle, and Stephanie Rice has earned the right to defend her Olympic titles in London. It was great to see Emily Seebohm, daughter of Glenelg Football Club great John Seebohm, win the 100-metres backstroke. The world's fastest man over 100 metres, James Magnussen, will swim tonight. And although the fairy tales did not work out for Ian Thorpe and Michael Klim, all Australians will take great inspiration from the story and comeback of Geoff Huegill.

The strength of the performances augurs well for all our relay teams. I would like to congratulate those successful swimmers who have qualified for the Australian Olympic team. As they are aware, they are ambassadors for Australia and are strong role models for our community, especially our children. Good luck to all those swimmers who are yet to compete over the next four days.

Lebanese Cedar Planting

Ms OWENS (Parramatta) (13:46): I was delighted today to join His Excellency Dr Jean Daniel, the Lebanese Ambassador to Australia, along with my parliamentary colleague Daryl Melham, the Chair of the Australia-Lebanon parliamentary group—and you, Mr Speaker—on the lawns outside the ministerial entrance of Parliament House for the planting of a tree. It was not just any tree, particularly for many people in my community. It was a Cedrus libani, a cedar tree—the national tree of Lebanon, the one that is prominent as the centrepiece on the Lebanese national flag. It replaced a tree that had been there for just over 20 years. In 1989 at Parliament House the then Prime Minister, Bob Hawke, planted a Cedrus libani imported by the Embassy of Lebanon as a bicentennial gift to the people of Australia. It grew quite tall in those 20 years, but it did not survive the recent drought.

The new tree is very small; it barely comes up to your knees. But it is incredibly beautiful, and I know that in coming years it will grow tall and strong, just like the bonds that bind our two countries together—particularly by the many people who migrated here and made Australia their home. Our countries are well and truly bound together. I would also like to thank the staff of the National Arboretum Canberra, who received 200 seeds from Lebanon back in 2009. They tended them and provided the beautiful little tree we planted today.

Higgins Electorate: Simpson Prize

Ms O'DWYER (Higgins) (13:48): The Simpson Prize is one of the most prestigious essay contests awarded to students in this country. Students in years 9 and 10 vie for a once-in-a-lifetime experience, with one from each state embarking on a two-week trip to Turkey to retrace the steps of the Anzacs as well as a briefing trip to Canberra for both winners and runners-up. The competition is open to every year 9 and 10 student in Australia. Each year the subject relates to the Anzacs and the significance they play in Australian culture. Students are invited to submit either a written essay or a video response of no longer than 15 minutes. This year the question was: ‘Why has the Australian commemoration of Anzac Day increased in popularity in recent years?’

This year the Victorian winner is a constituent of mine, and Higgins could not be prouder. Samuel O'Connor, from St Kevin's College, has done his school, his family and his community proud. It is important to recognise the significance of awards such as these. The character of the
Anzacs is what emboldens Australia's way of life. We must never lose sight of the significance and the importance of the Anzac spirit and legend. I would like to congratulate the History Teachers' Association of Australia for instituting this magnificent award. We wish Samuel all the best on his endeavours and look forward to him reporting back on this amazing experience.

SBS Codes of Practice

Mr DANBY (Melbourne Ports) (13:50): I want to congratulate my friend in the other place Senator Glenn Sterle on a private senator's motion he is moving in the Senate, which I am sure will get Senate support. He is calling on the directors of SBS to abide by the SBS codes of practice on prejudice, racism and discrimination, especially with regard to a series that was shown in November and December called The Promise. The UK Office of Communications conceded that:

... there were Jewish/Israeli characters and their actions that, arguably, could have led to members of the Jewish faith ... being perceived in a negative light to some degree.

SBS showed this program despite numerous complaints about the negative light it cast people in. Simply, they could have got around the problem by behaving like adults, in a mature way, and having a discussion program at the end with various points of view. That is the Australian way of handling different points of view, particularly in matters as difficult as the Middle East conflict and particularly when people felt so offended. They should have taken up this issue by having a program with people who supported the program and people who were critics of the program. I commend Senator Sterle on his resolution. I hope it is passed by the Senate; I am convinced it will be. The directors of SBS should pay attention to their own codes of practice and the impression they are creating in the parliament of not abiding by those codes of practice.

Blood, Mrs Audrey, OAM

Mrs MARKUS (Macquarie) (13:51): I rise today to honour a truly remarkable Australian woman. Mrs Audrey Blood OAM is the National President of the War Widows' Guild of Australia and has rightly been appointed to the Anzac Centenary Advisory Board—specifically, the ceremonial and commemorative group. The people of Macquarie are indeed honoured to have Audrey reside in our midst. Audrey has a long history of community service in New South Wales. For over 45 years Audrey has been involved in Meals on Wheels, the Country Women's Association and hospital auxiliaries. She was President of the Voice, Interests and Education of Women Club, co-founder and President of the War Widows Guild Club and founder and coordinator of Bereaved Parents and Cancer Support, just to name a few. The Medal of the Order of Australia awarded in 2002 is a fitting recognition of her outstanding commitment to our nation. War widows remain the single largest representation of the ex-service community, accounting for approximately 96,000 women. Audrey is a passionate advocate for ensuring these women are not forgotten, carrying on the fantastic tradition of War Widows Guild founder Mrs Jessie Vasey. Audrey's appointment to the Anzac Centenary Advisory Board is a remarkable achievement and an important recognition of Audrey's commitment to Australia's ex-service community and is an important step in ensuring the voices of war widows are heard. (Time expired)

McElhinny, Dr Chris

Dr LEIGH (Fraser) (13:53): Dr Chris McElhinny, Senior Lecturer in Silviculture at the ANU Fenner School of Environment and Society, died on 18 February 2012. Chris's
first career was as a craftsman and teacher in wood. He taught at the then Canberra—now ANU—Institute of the Arts from 1983-1991. Amongst other distinctions in that role, he made the furniture for the Parliament House suite of the President of the Senate. My neighbour Brian Turner tells me that Chris's curiosity led him to then enrol in an undergraduate forestry degree. He flourished in a brilliant second academic career, being awarded the Schlich Medal for his undergraduate studies in 1998, a University Medal on completion of his Honours degree in 1999 and a PhD in 2004 for his research on the structural complexity of woodlands. Chris joined the academic staff of what is now the Fenner School in 2005 and his capacity to engage and motivate students, to help them learn and to challenge them to excel were inspiring to his colleagues and students. So too were his talents to help his students publish the results of their work and the quality and collaborative spirit of his own insightful research about Australia's forests and woodlands. Chris's courage and good humour in the face of an untimely and ultimately terminal illness were equally characteristic.

I extend my sympathy to his wife, Sarah, and their children and family. Chris's professional legacy endures in the many graduates of his courses, through those he supervised in his and their publications and in the beautiful woodwork that helped catalyse his interest in Australia's forest and woodlands. (Time expired)

Myrtle Rust

Mr O'DOWD (Flynn) (13:55): Mr Speaker, if you have never heard of myrtle rust, you soon will. Myrtle rust attacks plant species including eucalyptus, paperbarks, bottlebrushes, tea trees and lilly pillies. It causes defoliation, dieback and even plant death. It was first detected in New South Wales in 2010 and is thought to have been spread up the east coast by a major plant retailer. Since the disease has hit Queensland, over 1,100 cases have been discovered, spanning some 19 different council shires. Biosecurity Queensland has listed this disease as being impossible to eradicate. It spreads on the wind, making any attempt to contain it almost futile. We know that myrtle rust will significantly impact threatened plant species and dependent native fauna such as koalas, gliders and insects.

Myrtle rust has most recently been found in Gladstone itself. Environmental factors also appear to have little impact on its survival or its spread. Given the ability of myrtle rust to spread so aggressively and the scope of its impact, I believe that there must be a national response to this threat. More funding is required to support the state government in its efforts to learn more about the disease and perhaps find a way of controlling it or eradicating it altogether. At this point there is no known way of doing either without great effort.

Tibet

Ms PARKE (Fremantle) (13:56): I acknowledge the presence of 12 Tibetan representatives from across Australia in parliament today. They are here seeking strong cross-party support for the Tibet issue. On behalf of the Parliamentary Friendship Group for Tibet and my constituents in Fremantle, may I say how concerned we are about the deepening crisis in Tibet, which has seen around 30 Tibetans setting themselves on fire in acts of protest since 2009. The latest immolation of a 38-year-old Tibetan monk in Tongren County in Qinghai province on 15 March is a grim reminder of the deteriorating human rights situation in Tibet. These acts of self-immolation and a wave of fresh protests in eastern Tibet have
been met by intensified military control and a media blackout by the Chinese authorities. All Tibetan areas have been closed to journalists, tourists and outside observers. A recent report by Reporters Without Borders said:

Out of sight of the world, a major crisis is unfolding. Even Pyongyang has an international media presence, which is not the case in Lhasa.

A handful of Western journalists who have managed to sneak into the heavily restricted towns have revealed the extent of China's military and armed police presence.

Tibetans around the globe marked 10 March as the 53rd anniversary of the Tibetan national uprising when, in 1959, thousands took to the streets in Lhasa to protest against China's occupation of Tibet. Fifty-three years on, the Tibetans continue to show their opposition to the repressive policies of the Chinese government in Tibet. The disturbing trend of self-immolations reflects the depth of the crisis in Tibet and the need for the Chinese government to review its policies. I hope the Australian government will continue to urge China to address the grievances of the Tibetan people through dialogue. (Time expired)

Regional Aviation Association of Australia Conference

Mr BALDWIN (Paterson) (13:58): As member for Paterson and shadow minister for tourism and regional development, today's Regional Aviation Association of Australia conference in Parliament House brings mixed emotions. It is an opportunity to reflect on the great work being done by Australia's regional airlines and by the regional airports they serve. Sadly, this sort of achievement is pulled down by new fees, charges and taxes applied by Labor since 2007. Specifically I refer to the government's decision to cut the $6 million en route subsidies, its commitment to the world's largest carbon tax, the application of new fees to cover airport security, the cuts to Customs and Border Protection Service budgets and a massive increase in passenger movement charges on its watch. I commend the minister for fronting up to the gathering this morning. It was not that long ago—in fact, in 2007—when Minister Ferguson told a similar gathering:

A $30 carbon tax on domestic flights and an end to the promotion of the aviation industry was an elitist tax, brazen in its simplicity, that would kill the Australian industry both domestically and internationally.

I urge the minister to continue to fight this Prime Minister's carbon tax and stay true to his opinions so publicly pronounced in 2007.

Men's Sheds

Mr HAYES (Fowler) (13:59): I recently attended the Bonnyrigg Men's Shed monthly barbecue. The Men's Shed is an excellent place for men of all ages to come together and work on various community projects. It reduces social isolation and promotes inclusion in the programs it offers. It keeps the minds of many men active, but more importantly it promotes self-esteem. Men's Sheds all over Australia have tremendously benefited their local communities through activities such as repairing furniture, restoring bicycles for local schools, fixing lawnmowers or even making kids' cubby houses for Camp Quality to raffle off. They promote waste reduction by turning it into usable items such as picnic tables.

The SPEAKER: I apologise to the honourable member; however, in accordance with standing order 43, the time for members' statements has expired.

CONDOLENCES

Whitlam, Mrs Margaret Elaine, AO

Ms GILLARD (Lalor—Prime Minister) (14:00): I move:
That the House expresses its deep regret at the death on Saturday 17 March 2012, of Margaret Elaine Whitlam AO, places on record its appreciation of her long and meritorious public service, and tenders its profound sympathy to her family in their bereavement.

The outpouring of tributes since Margaret Whitlam's death on Saturday morning has been widespread and it has been very heartfelt. We have seen her hailed as an icon, a national treasure and a revered public figure. Margaret Whitlam was all of those things; indeed, she was so much more. For many in the Labor movement and people of goodwill everywhere, this is like a loss in the family. We feel that loss because Margaret Whitlam was a public figure in our nation for half a century—vivid, independent and entirely herself. No rule or law required any of her service; it was given freely from the depths of a warm, gregarious heart, and our nation stands thankful today.

In his statement on Saturday Gough described Margaret as the 'love of his life', and indeed this was, at its core, a very great romance. From her very first meeting with Gough at a Sydney University student party in 1939, Margaret knew what she was getting into. She recognised Gough's dry wit and thought he was a good dancer, even though he had a tendency to talk too much and not listen to the music. Margaret had indeed captured the measure of the man. The conversation begun that night lasted for another 73 years, broken only by Margaret's passing on Saturday morning.

This was a partnership of equals, a woman more than matched in brains and humour and panache to this formidable and dynamic figure. Gough entertained no limitations on his own prospects and placed none on Margaret either. For 25 years, she combined university study, professional employment and raising four children in a pattern now familiar to Australian women but which at that time was very rare indeed. Only when Gough became federal Labor leader in 1967 did Margaret embrace the full-time duties of a political partner, only to completely transform and uplift the role. From it flowed all of those achievements and contributions that have been celebrated in recent days: her work as a patron of the arts, her service on countless boards and committees, her writing and television appearances, her compassionate embrace of social causes, her unexpected late career as a tour leader and, above all, her advocacy of women's rights.

Many accomplished women owe their success to the courage and inspiration they drew from Margaret at a time when so much needed to be done and so many barriers stood in the way. As a girl who was in high school during the years of the Whitlam government, I well remember the image that Margaret gave to the nation. It was one of the first times that I believe Australian women saw so publicly in our nation's life a woman who was part of a partnership and part of a great love affair but who was also a woman of accomplishment in her own right, and it gave young girls faith that it was possible not only to be in love but to be in love without those limits being placed on you.

I mentioned on Saturday that Gough impishly called Margaret his 'best appointment' in his foreword to his monumental book on the Whitlam government. In a later book, My Italian Notebook, he called Margaret his 'prima donna', his 'first lady'. Gough's privilege in finding Margaret was a privilege our nation shared and made its own. The Whitlam family is of course greatly saddened by this loss and our condolences go to them, and it is difficult to imagine the depths of pain for Gough Whitlam himself. We are saddened by this loss too.
Gough and Margaret were tall, commanding figures who together cut a swathe through decades of events. Together they embraced a life of activity and of constant service. They were separated only by the limitations of physical frailty and now, with finality, they have been separated by death. Though we mourn today, there cannot be disappointment. Margaret Whitlam's life was long, full, substantial and complete: a great and gracious Australian whose place in the affection of our nation is assured. I commend this motion to the House of Representatives, where Gough Whitlam so effortlessly dominated, and I commend this motion to the Australian people, for whom Margaret Whitlam had such abiding love and respect.

The SPEAKER: I thank the Prime Minister for that particularly moving contribution.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:05): As the Prime Minister has said, Margaret Whitlam was much loved by Labor people and well respected by the wider Australian community, and Australians are united in mourning her passing. She once noted in her diary that 'if I can do some good, I'll certainly try'. She did try, and she certainly succeeded.

Prime ministerial spouses, if I may say so, have two principal means of doing good: first, to use the eminence afforded to them to promote good causes and good values; and, second, to do what they can to help their spouses to be their best selves. On both counts, Margaret Whitlam was an exemplar. To the wider community she was a model spouse, a model mother and a model for women who wanted to make the most of themselves. She was also a tireless activist in the Labor cause and a great promoter of the arts. To her husband, it seems, she was a vital reality check. For all his famous wit, her distinguished husband had a loquacious tendency. As has been remarked by former Labor leaders Hawke and Hayden and by former Labor minister Mr Cohen, just about the only person allowed to interrupt Gough when he was in full flight was Margaret. Bill Hayden was quoted in the press on the weekend describing an occasion when the former Prime Minister was speaking at some length. Eventually, Margaret said audibly, 'Will somebody tell that man to sit down?' She started banging her walking stick on the floor until finally Gough indeed sat down. Our spouses do us sterling service when they bring us back down to earth, as all of us in this place sometimes need bringing back down.

Gough, as the Prime Minister earlier noted, once described Margaret as his best appointment. But fittingly he described her last weekend simply as, 'The love of my life.' We join the Prime Minister in offering our condolences to Gough and to the Whitlam family. We join with the Prime Minister in expressing our gratitude for a great life well lived.

Ms PLIBERSEK (Sydney—Minister for Health) (14:08): I rise to add a few words to this motion of condolence. Margaret Whitlam's full and influential life has been the subject of much public comment over the last few days, and justifiably so, for she was a much loved figure. I do not repeat the public facts of her life but rather make a few remarks about the woman I knew. Margaret Whitlam was independent and fiercely so. She was a great supporter of her husband and I am sure that he would be the first to say as both local member and later as Prime Minister that she was his greatest supporter and closest adviser.

But she did not always agree with Gough; she did not automatically agree with him. She was a life member of the Labor Party
and had her own views about the issues that face us and on people, too, as I found to my benefit when I asked for her support in my pre-selection, in which her husband was backing another candidate. She was kind. She made every person she came into contact with feel comfortable. When she attended branch Christmas parties or other party functions she would be mobbed but she would give each person her full attention.

She was modest. She was very surprised when I asked her to be the guest speaker at a function I was putting on. She said, 'Oh, no: I can get Gough for you.' I said, 'No, I would like you to speak, Margaret.' She said, 'What could I possibly have to say that anyone would be interested in hearing?' We in fact had to turn people away. We could not fit everyone in. Everybody wanted to hear from Margaret.

She was a magnificent example to many women entering the workforce. She balanced her public duties with raising her family. She raised four children with a husband who, as all of us in this place know, worked long hours and was away from home a lot. But she always continued her own fights for equality and for social justice. She was humorous, fun, witty, intelligent and lively. I was fortunate enough to dine with Margaret just recently. She was still absolutely full bottle on current events. She had a lot of very sensible opinions and advice to offer. She was great company that night, as always.

I express my deepest condolences to her devoted husband and loving family. We have lost much as a nation with her passing, but they have lost a great deal more.

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (14:11): The long and fruitful life of Margaret Whitlam, which came to an end last week, makes it appropriate for this House to mark her life here today. She defined in her own way the role of the wife of a Prime Minister of this country. Between 1972 and 1975, Margaret Whitlam was very much in the public eye during the years of the Whitlam government in her capacity as the Prime Minister's wife. But she carved out her own identity and supported many causes of her own interest, whether social, cultural, educational or political. These causes were very dear to her heart. She left no-one in any doubt that her marriage was one of equals, true partners dedicated to public service.

This public service continued long after Gough Whitlam's retirement from politics. Much has been written of her warmth, her compassion and her capacity for love. I understand that she had a great sense of humour and that there was a side of her that liked to surprise or even shock people with her words, being amused by their impact. It was her style to speak her mind fearlessly and with wit. She was an extraordinary woman whose contribution to Australian public life ensured that she commanded respect and affection. She will be greatly missed. I offer our sympathies to Gough Whitlam and to the Whitlam family.

Mr RUDD (Griffith) (14:12): Margaret Whitlam was a national figure in her own right. It is entirely deserving and right that in her own right she receives the formal recognition of this parliament. While inseparable in the Australian public's mind, imagination and affection from one of Australia's great Prime Ministers, Gough Whitlam, over the last 35 years Margaret Whitlam's extraordinary individual contribution to the face of modern Australia has become a matter of agreed historical record and, for many decades now, one that has long transcended the political divide.

Margaret Whitlam's public life was therefore not the appendage of someone else's. It was her own life: an extraordinary
life and a life lived to the full. She was a strong, independent voice for the full and equal role of women in modern Australia. She was an early strong and independent voice for Indigenous Australians and an early strong and independent voice for the role of the arts and artists in Australia's national life. She was driven by the deepest principles of social justice; driven also by an even deeper love for Australia.

At a personal level, Margaret was warm, generous, blessed with a truly wicked sense of humour and always a source of encouragement for others in public life. She was all these things to my wife, Therese, and it is for this particular reason that I also wanted to speak briefly in this condolence motion today. There were many tears in our household over the weekend, as both Therese and Jessica saw Margaret as an inspiration and were honoured to call her a friend. Back in 2007, Therese asked Margaret for some advice when she came round to the Lodge for afternoon tea—Margaret's simple encouraging reply was 'just be yourself darling and you'll do beautifully'. Margaret became something of a soul mate for Therese in the years since then, and she has asked if I could publicly thank the family for sharing Margaret with her over this time.

Margaret Whitlam—a truly remarkable Australian life. A public life that is the stuff of inspiration. A private person who in her eighties and nineties still took time for others. A wonderful wife, a loving mother—we all loved her dearly.

Mr Turnbull (Wentworth) (14:15): I join my very eloquent colleagues in sharing our condolences with the Whitlam family, particularly with Gough, who has lost his very best appointment. I have had the honour of representing Margaret Whitlam in the parliament, a fact she never failed to remind me of whenever I saw her. She had a remarkable, grounded nature that enabled her to restrain her husband's grandiosity and flights of fancy. Having seen them closely at different times in my life, through our friendship over several decades, it was never entirely clear to me, because no-one can ever really penetrate the ineffable mystery of the intimacy of a long marriage, whether Gough's grandiloquence in Margaret's presence was not designed as much to get a rise out of her as to satisfy his own sentiments. I always felt that the way Gough described her as Dame Margaret was having a little bit of a dig back at her for having a dig at him for being so grand.

She was an inspiring and loved woman, mother and Prime Minister's wife—she was loved by all Australians. She radiated throughout her life an optimism, a generosity and a compassion that were unmistakable. She lived to a very great age—92 is a hell of an innings. We look back at her life, lived with her husband and her family over all those years, and we think of her with Gough going to China and we think of her with Gough at one great national event after another; these two enormous people—so tall—and producing these enormous children too, I might say. The image of Margaret that I think speaks most eloquently of the woman is the picture of the swimmer, the Bondi girl in her swimming costume, looking out into the future—a future she could not possibly have imagined. It was to be a future of leadership and of a long life of enormous eventfulness. She looked into that future in that picture. When you look at it, you see a look of optimism, of affection, of cheerfulness—a very Australian view into the future. You could say truly and with great affection of Margaret Whitlam that you could take the girl out of Bondi but you could never take Bondi out of the girl.
The SPEAKER: As a mark of respect, I ask all present to signify their approval by rising in their places.
Honourable members having stood in their places—

The SPEAKER: I thank the House.
Debate adjourned.

Reference to Federation Chamber

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (14:19): by leave—I move:

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

Mr Speaker, I associate myself with the remarkable contributions we have just heard on the life and death of Margaret Whitlam. I think she would be very pleased, looking down, to know that this has been the parliament at its finest.

Question agreed to.

His Holiness Pope Shenouda III

Ms GILLARD (Lalor—Prime Minister) (14:20): I move:

House notes the death on 17 March 2012 of His Holiness Pope Shenouda III, expresses its profound regret at his passing and records its deep admiration for the magnificent leadership he provided to the Coptic Orthodox Church of Alexandria during the period of his pontificate.

Pope Shenouda III has died in Egypt. This was the end of a long illness. It was also the end of a long life. He had served in religious life for 60 years. He was spiritual leader of his people for four decades. Many in the Australian community will fondly recall his several visits here over the years.

The Copts of Egypt occupy a precious place in Christian history. Their monasteries are the oldest in the Christian world and the traditions of Egypt's desert fathers long predate the monasticism of western Europe. Coptic Christians are the guardians of sites historically linked to the life of the holy family and the flight into Egypt. They worship at the ancient churches of old Cairo, like the Church of Saints Sergius and Bacchus, the Church of Saint Barbara and the Church of the Virgin Mary. The eight million Coptic Christians in Egypt and millions more around the world have lost their patriarch at a most difficult time in the history. Like his flock, Pope Shenouda was an Egyptian patriot as well as a devout Christian. In his life his claim for equal treatment of his flock was no more than the assertion of the rights that all Egyptians should experience. The great Coptic community of Australia does look to events in Egypt with anxiety for their fellow faithful and the holy places and, for many of them, the plight of family members, too. I want them to know today that the Copts of Egypt are not without friends in the world or in Australia. The Australian government has reminded the Egyptian government of Egypt's own traditions of religious tolerance and we welcome the Egyptian government's stated commitment to maintaining their history of religious tolerance and inclusion.

One of Senator Bob Carr's first actions as foreign minister was to speak to Australia's ambassador to Egypt to ask him about the situation on the ground and send our regards to the Coptic community there on behalf of Australia. Australia's ambassador to Egypt has visited with the community in Egypt and attended a number of holy sites in recent times and only the severity of His Holiness's ill health prevented a recent meeting. We watch events there closely.

There is a funeral prayer, Life is changed, not ended, which expresses well the trust and expectation of the faith in which His Holiness died. On behalf of all Australians I offer my condolences to the Coptic community at this very sad hour.
Mr ABBOTT (Warringah—Leader of the Opposition) (14:23): I join the Prime Minister in mourning the passing of Pope Shenouda, the spiritual leader of the eight million Copts in Egypt and of tens of thousands of Copts here in Australia. He served for 40 years. He was well loved and well respected. Pope Shenouda has died at a difficult time for the Coptic community. The Arab Spring has certainly turned out to be more of an autumn than a spring for Egypt's Copts.

A democracy must be judged not by how effectively it implements the will of the majority but how effectively it protects the rights of the minority. I hope that the Egyptian government and people will pass that test. This, in any event, is what I am sure the late Pope Shenouda would have wanted and what we too should want as we mourn his passing at this time.

The SPEAKER: As a mark of respect, I invite all present to rise in their places.

Honourable members having stood in their places—

The SPEAKER: I thank the House.

Debate adjourned.

Reference to Federation Chamber

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (14:25): by leave—I move:

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

Question agreed to.

QUESTIONS WITHOUT NOTICE

Carbon Pricing

Mr TRUSS (Wide Bay—Leader of The Nationals) (14:26): My question is to the Prime Minister. I remind the Prime Minister that the chairman of the world's largest aluminium producer has stated that, 'Queensland Alumina will be the highest taxed industry in the country and that is a significant impact on our operations.' When will the Prime Minister admit that the carbon tax would shut down Queensland Alumina in places like Gladstone, as the government's own modelling confirms?

Ms GILLARD (Lalor—Prime Minister) (14:27): In answer to the question I say: (1) the question contains words which would mislead the Australian people, so I am not accepting the premise of the question; and (2) when it comes to businesses around the nation, including businesses in Queensland, the government is determined to give them a tax reduction. What is standing in the way of that tax reduction is the conduct of the opposition. So, if the Leader of the National Party is genuinely concerned about this business and its future, it is very hard to explain why he is opposed to a tax reduction being given to that business. It is very hard to explain that, indeed.

But when it comes to the opposition, there is no plan—

Mr Pyne: Mr Speaker, I rise on a point of order. The Prime Minister was asked a question about the carbon tax and she has made no attempt at all to answer that question.

The SPEAKER: The Prime Minister has just commenced her answer. I am sure she will direct it to the specifics.

Ms GILLARD: I was asked about a particular business and I am talking about measures that would assist that particular business. As we all know, as a result of world conditions and the high Australian dollar there is pressure on Australia's manufacturing industry and particularly there is pressure at this time on aluminium. We have always been very conscious that a sustained, strong Australian dollar would bring these pressures to bear on parts of our economy, like manufacturing. That is why
out of the proceeds of the minerals resource rent tax we are determined to cut the tax burden on businesses like this one. It is an appropriate way to spread the benefits of the resources boom. We take a very different view on this from the opposition. We stand for a fair share of the benefits of the boom going around the nation. They stand for a privileged few. On dealing with climate change and reducing carbon pollution, we stand for doing that in the cheapest way possible. The opposition, of course, stand for a carbon plan which would impose additional costs on businesses whilst at the same time imposing additional costs on Australian families and taking away from those families the tax cuts, family payments and pension increases we intend to provide.

To the opposition generally, who I understand today, tomorrow and the next day will continue to ask questions about this matter, I would ask the following: first and foremost, how do you explain the Howard government's commitment for an emissions trading scheme; and, No. 2, how do you marry these professions of concern about these businesses with your plan to block these businesses from getting a tax cut?

Mr ABBOTT (Warringah—Leader of the Opposition) (14:30): Mr Speaker, on a supplementary—

An opposition member: Pick Warren!

Honourable members interjecting—

The SPEAKER: I remind those opposite that it is not necessary for the supplementary question to be asked by the member who asked the original question.

Mr ABBOTT: I ask a supplementary question of the Prime Minister. Can the Prime Minister confirm that the quantum of the carbon tax hike is five times the quantum of the corporate tax cut?

Honourable members interjecting—

The SPEAKER: The honourable Prime Minister is given the call and she will be heard in complete silence.

Ms GILLARD (Lalor—Prime Minister) (14:31): What I can confirm is that the direct price of carbon pricing will be paid by around—

Mr Hartsuyker interjecting—

The SPEAKER: The honourable member for Cowper will remove himself from the chamber under the provisions of standing order 94(a). I said from the moment I called the Prime Minister for this answer to a supplementary question that she will be heard in silence.

The member for Cowper then left the chamber.

Ms GILLARD: What I can confirm is that the direct carbon price will be paid by around 500 businesses. What I can also confirm is that more than 3,000 businesses would pay the extra tax impost that the Leader of the Opposition has designed for them, because of his paid parental leave scheme, which is designed to give the maximum benefits to the upper end. What I can confirm is that, for a bigger business, tax rates under Labor would be at 29 cents in the dollar. What they would be under the Leader of the Opposition is 31½ cents in the dollar. What I can therefore confirm is that business would be worse off under the Leader of the Opposition's plans.

Mr Abbott: Mr Speaker, I rise on a point of order. By no stretch of the imagination is the Prime Minister being directly relevant to the question. The carbon tax hits businesses for six, and it will hit Queensland businesses for six.

The SPEAKER: I am listening to the point of order. Has the Leader of the Opposition finished?
Mr Abbott: I am just making the point that the carbon tax will hit Queensland businesses for six, and the Prime Minister's answer should address that point.

The SPEAKER: The Leader of the Opposition will now resume his seat. He is debating the issue. I call on the Prime Minister to conclude in the 21 seconds remaining.

Ms GILLARD: What we have just seen is a continuation of the hysterical fear campaigning of the Leader of the Opposition. What would hit businesses for six is his plan to increase company tax. What would hit businesses for six is his absurd carbon plan. (Time expired)

Economy

Ms SMYTH (La Trobe) (14:33): My question is to the Prime Minister. Prime Minister, how is the government managing the economy in the interests of working people? How are we making sure that working people have the skills our economy needs and that we all share in the benefits of the mining boom?

Mr Abbott interjecting—

Ms GILLARD (Lalor—Prime Minister) (14:33): I thank the member for La Trobe for her question, going as it does to the future of the Australian economy. I understand from the Leader of the Opposition's interjection that he is not at all interested in future jobs, future incomes, future prospects for Australian families. But on this side of the parliament we are. We understand that the Australian economy is in a time of change. The global economy is in a time of change. The region in which we live is growing very strongly, and that means that our economy is in a period of great change. There are huge opportunities during this period of great change, but there are also pressures, particularly pressures on our manufacturing sector because of the high Australian dollar.

The choice of government is, therefore, whether you stand still in the face of all of this change and do nothing or whether you actually take positive steps to make sure that this change works in the interests of working Australians. We have made that decision and we are determined that this change should work in the interests of working people. That is why today I was very pleased and proud to announce a major skills reform package, a new national entitlement for Australian workers for training up to certificate III; 375,000 new completions over the next five years; a new HECS for skills program to assist with the costs of getting upper level vocational qualifications. We are determined that Australians around the nation be able to get the skills they need to benefit in the opportunities that will flow as our economy changes. There is nothing more important to the prospects of Australian working people than having a job, having the best job and having the skills to get the best job that they can. That is why we have announced our skills reform package today. Tonight we anticipate the minerals resource rent tax will go through the parliament. Once again, that is about shaping the economy of the future and making sure Australians around the nation get an opportunity during this time of change.

Behind both of these policies is a fundamental question. It is a question of who you stand for and what you are prepared to get done on their behalf. On this side of the parliament we stand for benefiting the many; on that side of the parliament they stand for a privileged few. On this side of the parliament we stand for jobs; on that side of the parliament they stand in the way of those jobs. On this side of the parliament we stand for a fair share from the resources boom for all Australians; on that side of the parliament
they stand for more profiteering by those who are already very, very wealthy indeed—the billionaires in our society. This is the divide in politics today: who you stand for and what you are prepared to get done for them.

**Carbon Pricing**

Ms GAMBARO (Brisbane) (14:37): My question is to the Prime Minister. I refer the Prime Minister to the plight of the Wilston Grange Gorillas football club in my electorate, whose current electricity bill to light their playing fields is a staggering $360 per hour. Because of the world’s biggest carbon tax, how much more will the supporters of the Wilston Grange Gorillas have to pay in fees and levies for players to continue to play footy at night?

Ms GILLARD (Lalor—Prime Minister) (14:37): To the member who asked the question I would say this: she would recall contesting the 2007 election arguing for a price on carbon. I hope she has provided an explanation to this sporting club, and to her whole electorate, as to why she no longer stands for John Howard’s plan of putting a price on carbon. While the Liberal Party are at it, they might want to explain why they no longer stand for Liberal values like cutting company tax—

Mr Abbott: Mr Speaker, I rise on a point of order on relevance. It was a very straightforward question about Gorillas in the dark because of the carbon tax on the people of Queensland and the Prime Minister should be directly relevant to it.

The SPEAKER: The Prime Minister will return to the specifics of the question asked by the honourable member for Brisbane.

Ms GILLARD: I was asked about the circumstances of a sporting club and I was directly addressing those circumstances. The member for Brisbane may want to explain to the members of the sporting club the need for us to reduce carbon pollution, to do it in the cheapest way, to do it in a way that benefits working people through tax cuts and increases to family payments and that benefits pensioners as well. She may want to explain that that is the reality of the government’s plan, whereas what the Leader of the Opposition has planned is a big bill for every family at that sporting club of $1,300 per family.

**Vocational Education and Training**

Mr MELHAM (Banks) (14:40): My question is to the Minister for Industry and Innovation and Minister for Climate Change and Energy Efficiency, representing the Minister for Tertiary Education, Skills, Science and Research. How is the government skilling the workforce for the economy of the future? Are there any obstacles to this?

Mr COMBET (Charlton—Minister for Industry and Innovation and Minister for Climate Change and Energy Efficiency)
(14:40): Thank you to the member for Banks for his question. Investing in skills is an investment in our economy and it is an investment in working people's futures and the futures of their families. People who improve their workplace skills earn significantly better wages. For example, someone who obtains a certificate III, or higher, qualification can expect to earn an extra $400,000 over their working life compared to someone who does not have that level of qualification. Eighty-three per cent of Australians with a certificate III level qualification, or above, have a job at any given time, whereas only 57 per cent of those who do not have those qualifications are in work at any point in time.

Now these are extremely important things for a Labor government and they underpin our commitment to enabling people to fulfil their potential and acquire workplace skills. That is why the government have already made $7.2 billion available to the states and territories over the next five years for vocational education and training. But today the government announced that a further $1.75 billion would be available to deliver more reforms. As the Prime Minister indicated earlier, the government aims to ensure that an additional 375,000 students complete vocational education and training qualifications over the next five years. As part of these reforms, Australians from post-school to the age pension will have access to a subsidised training place up to certificate III level—an entitlement.

The government also recognises that young people and their families sometimes struggle with the cost of fees for training courses and that is why, in today's announcement, the government has made clear that it will make available interest-free, deferred loans instead of upfront fees for 60,000 vocational education and training students per year studying publicly subsidised diplomas and advanced diplomas. These investments in skills will ensure that our economy remains strong in the future and that working people have the opportunities that they are entitled to. Investment in skills is the key to our economic future. It is the key to future jobs growth. It is the key to future living standards. It is the key to competitiveness. It is the key to productivity and it is the key to getting through some of the current economic challenges we face in the form of the high dollar. That is what this Labor government is delivering.

Mr MELHAM (Banks) (14:43): Mr Speaker, I have a supplementary question. Minister, you have told us about how the government's skills and tax policies will build the economy and skill the workforce. How is the government working to actually deliver these and other major policies for the economy?

Mr COMBET (Charlton—Minister for Industry and Innovation and Minister for Climate Change and Energy Efficiency) (14:44): I thank the member for his question. The answer is that we are working to deliver these important reforms through the parliament because, as I explained a moment ago, having a strong vocational educational and training system is the centrepiece of having a modern economy, as is having important incentives in place for research and development, which the government have acted to strengthen through the R&D tax incentive. It is noteworthy of course that the opposition voted against that initiative.

It is crucial too that we have a mechanism to share the benefits of the mining boom, a mechanism we are putting in place through the minerals resource rent tax—delivering infrastructure funding, delivering improved retirement incomes, delivering a cut in
company tax, delivering a $6,500 instant asset write-off. All of these things are opposed by the coalition. It is incredible they would oppose measures such as these which would stimulate and support the economy. Along the same lines as these measures, we are cutting personal income tax by trebling the tax-free threshold—again, opposed by the coalition. We are increasing pensions—opposed by the coalition. We are increasing family tax benefits—opposed by the coalition. Through the NBN, we are building the broadband infrastructure needed to support the digital economy—opposed by the coalition. Every single economic reform for the benefit of this country and for the benefit of working people is opposed by this coalition. (Time expired)

Member for Dobell

Ms LEY (Farrer) (14:46): My question is to the Minister for Employment and Workplace Relations. I refer to the Fair Work Australia report into the activities of Victoria No.1 branch of the Health Services Union. With the members of the HSU themselves calling for action, has the minister referred the findings of this report to the Australian Taxation Office for further investigation?

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (14:46): I thank the member for Farrer for her question and I note that 42½ thousand of her voters are going to get an increase in superannuation if we get our laws through tonight.

The SPEAKER: The minister will become directly relevant or the call will be withdrawn. The minister is given the call to answer the question.

Mr SHORTEN: We welcome the conclusion of the Fair Work Australia investigation. The general manager’s referral of the matter to the Australian Government Solicitor we also welcome. In terms of the question about my powers to refer matters, the opposition has, at every stage of this investigation by Fair Work Australia, demanded that we interfere. At the same time, they have also said that we have interfered with this matter, but we did not.

Mr Pyne: On a point of order, Mr Speaker: the minister was asked a very straightforward question on behalf of the members of the HSU. That question was whether he has referred the now published report of Fair Work Australia into Victoria No.1 branch to the Australian Taxation Office. That is a very simple question.

The SPEAKER: I do draw the substance of the question to the attention of the minister and I ask him to answer it.

Mr SHORTEN: The question goes to the referral of this report to the Australian Taxation Office. We are certainly reading the report. We are going through it and we are certainly drawing it to the attention of the regulatory authorities to which we can. But let us go further here. On this question and the issues around it about the HSU, the opposition has, at every stage, tried to pre-empt the process of investigation.

Mr Pyne: As I understand it, Mr Speaker, the minister is on notice that the police are investigating a matter which involves the HSU and has been referred by the Australian Taxation Office to the police. The police are in the process of investigating matters.

Mr SHORTEN: The police are in the process of investigating matters. The police are in the process of investigating matters.

Mr Pyne: That is not the question. Mr Speaker, the minister was asked a very straightforward question on behalf of the members of the HSU. That question was whether he has referred the now published report of Fair Work Australia into Victoria No.1 branch to the Australian Taxation Office. That is a very simple question.

The SPEAKER: I simply draw the substance of the question to the attention of the minister and I ask him to answer it.

Mr SHORTEN: The police are in the process of investigating matters.
Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (14:49): There is no question that the report is an important one. That is why we have—

Opposition members interjecting—

Mr SHORTEN: You guys wanted it and wanted it. Now we have it. We have completed the analysis of it and what we do know is—

Opposition members interjecting—

The SPEAKER: Order! The minister will be heard entirely in silence for the balance of his answer.

Mr SHORTEN: The report is clearly important and it has been referred to the Australian Government Solicitor for further action. As much as those opposite would like us to give a running commentary on the activities of either the independent regulator or on further proceedings which might be the subject of court action, this side of the House is not going to fall into the trap of being baited into a debate when there is in fact a process already underway.

Leukemia

Mr WILKIE (Denison) (14:50): My question is to the Prime Minister, but the Leader of the Opposition may also care to contribute on indulgence. Prime Minister, 31 Australians are diagnosed daily with blood cancer and the World’s Greatest Shave is the Leukaemia Foundation's biggest fundraiser. Will you cooperate with the Leader of the Opposition to raise a $1,000 donation from the cabinet and shadow cabinet to help the foundation's research and support services?

Ms GILLARD (Lalor—Prime Minister) (14:50): I did notice the member for Denison was sporting quite a different look today. I did make some inquiries as to whether or not he was feeling the Canberra cold a bit more than usual and I did express to him my admiration for his bravery in having done the Shave for a Cure fundraising. I know he is not the only member of the House to have done so. I did express the observation that I am glad that there are some alternatives, such as getting a crazy colour put in your hair for a limited period, because I think many of us around this parliament might prefer that to doing what the member for Denison has done.

There is a lot of goodwill and good spirit across the parliament—in both the House of Representatives and the Senate—towards participating in events like Shave for a Cure. I congratulate all of those who have participated. I am very happy to pledge on behalf of the cabinet that we will get into the spirit through fundraising—not necessarily through mimicking the member for Denison's hair style—and will be very happy as a cabinet to contribute the thousand dollars the member for Denison has asked for.

Mr Abbott: On indulgence, I congratulate the member for Denison and I congratulate the member for Dawson on their efforts for charity. I note that the member for Dawson has already raised more than $2,000, much of it from his parliamentary colleagues, for this important cause. Yes, the shadow cabinet will find $1,000 for this great cause.

The SPEAKER: I congratulate the honourable member for Denison.

Mining

Ms OWENS (Parramatta) (14:52): My question is to the Treasurer. Why is it critical for the parliament to support policies that spread the benefits and opportunities of the Asian century to all corners of our economy?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:52): I thank the member for Parramatta for that question.
This is indeed a historic day for economic reform and a historic day for the fair go in Australia. As the MRRT is debated in the Senate, it should be noted that this important reform will provide a revenue stream to ensure that businesses in particular that are not in the fast lane of the resources boom get some tax relief. It is a very important reform which goes to the fact that we on this side of the House understand that the global economic weight is moving from West to East and with that it will bring a resources boom to this country. And it will mean that we must maximise the opportunities that flow from that boom and spread them to every corner of our economy. That is why the debate in the Senate is so important.

Just as we moved during the global financial crisis to support our economy, we are now moving to put in place the big reforms which will maximise the opportunities that will flow to everyone in our country, not just a select few. Of course, one of those reforms was announced by the Prime Minister today—the importance of skills and the importance of people being able to upskill, and what that means in terms of their capacity to earn and to stand on their own two feet. We also know that we need to spread the benefits of the mining boom through cuts to company taxation, particularly to those companies that are not in the fast lane of the mining boom. That is why on this side of the House we stand for tax cuts for those companies that are not in the fast lane, but of course those tax cuts are opposed by those opposite.

Those opposite are being either deliberately deceitful or massively ignorant when it comes to this legislation that is in the Senate. We on this side of the House understand the importance of taking the super profits of very profitable companies and sharing them right around the country. What the debate in the Senate shows and what it showed in this House is that those opposite have not got a clue. You could never trust them with the government of this country. They are so out of touch, they do not understand that a company tax cut is important for 2.7 million small businesses. They voted against it. We voted for it. They do not understand the importance of investing in infrastructure. We voted for it. They voted against it. Now, we get to the extraordinary situation where those opposite want to increase company tax by 1½ per cent whilst we want to reduce it by one per cent, making their company tax regime 10 per cent higher than ours. Why would they adopt such a stupid and ignorant position? I will tell you why, Mr Speaker.

The SPEAKER: The Treasurer will return to the specifics of the question.

Mr SWAN: It is because there is a $70 billion crater in their budget bottom line. They are not capable of running a modern economy. (Time expired)

Member for Dobell

Mr PYNE (Sturt—Manager of Opposition Business) (14:55): My question is to the Minister for Employment and Workplace Relations. I refer to his answer to the previous question from the member for Farrer where he said that the government was referring the issues in the Fair Work Australia report into the HSU No. 1 branch in Victoria to the appropriate authorities. Minister, can you name one prosecuting authority to which the Fair Work Australia report into the Victoria HSU No. 1 branch has been referred?

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (14:56): Firstly, in terms of the government referring matters, the person with the discretion to refer matters...
to prosecuting authorities is the general manager of Fair Work Australia.

Mr Hockey: You said you were referring it to the authorities.

Mr Shorten: No, I said that I would draw it to the attention of the ATO, which was the earlier question asked.

Opposition members interjecting—

Mr Shorten: I am going to assume there is a scintilla of interest in the answer to the question and continue. The general manager of Fair Work Australia has the discretion, upon having investigated the matter—and the matter was investigated by her delegate—to draw conclusions and to take certain actions. What the general manager has done at the conclusion of the investigation into the No.1 branch is that she has instructed the Australian Government Solicitor to apply to the Federal Court for penalties and other orders against the HSU and certain officials. We intend to let that matter run its course. Of course, I would not put it past some of the hooligan elements opposite to try to damage those matters—

Opposition members interjecting—

Mr Shorten: Well, you would have to say your public commentary—

The Speaker: Order! That gratuitous comment by the minister is outside the standing orders. If he wants the opportunity to complete his answer, he will return to the question he was asked.

Mr Shorten: All right, I take back the use of the word 'hooligan'. There is still further progress to be done on the national office investigation. Again, that is a matter for Fair Work Australia. The sections upon which the general manager of Fair Work Australia is relying upon are sections in the Fair Work Act, the same sections that were put in place by the then minister for industrial relations in 2002, none other than the Leader of the Opposition. We have repeatedly said that Fair Work Australia is independent and investigations are independent. We will not interfere with the conduct of these investigations and we actually have enough respect on this side of the House to let the process take its natural order.

Customs

Mr Murphy (Reid) (14:58): My question is to the Minister for Home Affairs, Minister for Justice and Minister for Defence Materiel. Will the minister inform the House of action being taken by the Australian Crime Commission to investigate the trafficking of illegal firearms? Why is this the best approach and, very importantly, what are the risks with other approaches?

Mr Clare (Blaxland—Minister for Home Affairs, Minister for Justice and Minister for Defence Materiel) (14:59): I thank the member for his question. This is a very important question. Five weeks ago, I announced a national investigation into the illegal firearms market and its links to gang activity in Australia. I commissioned the most powerful law enforcement agency in the country to do this work: the Australian Crime Commission. They have the powers effectively of a standing royal commission—the power to compel witnesses to appear and give evidence and the power and ability to trace firearms. It was their work in tracing one gun that led all around the world to those arrests and the dismantling of a criminal syndicate last week—working with the New South Wales Police Force, the Customs and Border Protection Service and the AFP.

I have asked the Australian Crime Commission to do that same tracing analysis for the firearms that have been seized right across the country by police over the last 12 months. This will provide police with more intelligence and the capacity to make more
arrests. By tracing more weapons you get more criminal intelligence and that gives you the potential to arrest more criminals. This investigation will provide the federal government and state governments—

Mr Morrison interjecting—

The SPEAKER: The honourable member for Cook will remain silent.

Mr CLARE: as well as Territory governments—

Mr Morrison interjecting—

Mr CLARE: with recommendations on what further action is needed to tackle the illegal firearms market.

The SPEAKER: The honourable member for Cook will remove himself from the chamber under the provisions of standing order 94(a). I asked him to remain silent and he continued interjecting. The minister has the call.

The member for Cook then left the chamber.

Mr CLARE: The Australian Crime Commission will do this work with other state and territory police forces as well as Customs and Border Protection, CrimTrac, AUSTRAC and the AFP. They will also harness information from the USA's online firearm-tracing system.

I am asked about alternative approaches. After five weeks the opposition have finally caught up and they are asking for their own inquiry. It begs the question: what would their investigation do? Would it have coercive powers? No, it would not. Would it have the powers of a standing royal commission? No, it would not. Would it have the power to conduct tracing analysis of illegal firearms? No, it would not. It begs the question: why have a 'toothless tiger' inquiry when you already have the most powerful law enforcement agency in the country on the job? I might remind you of this quote, Mr Speaker:

The idea that you have got to have a Customs officer searching everybody who comes into the country has never been realistic. What you do is you identify through all sorts of intelligence …

They are not my words; they are the words of John Winston Howard. He was right then and the opposition is wrong now. (Time expired)

Member for Dobell

Mr PYNE (Sturt—Manager of Opposition Business) (15:02): My question is to the Prime Minister. I direct the Prime Minister to the BDO Kendalls report into the activities of the member for Dobell while an official of the Health Services Union that found he was likely to have breached industrial laws and criticised his failure to question seven credit card transactions for adult services, totalling $5,000, as well as other inappropriate spending. I ask the Prime Minister: does she still have the full confidence in the member for Dobell that she expressed on the 16, 17 and 18 August 2011?

Ms GILLARD (Lalor—Prime Minister) (15:03): I have expressed my full confidence in the member for Dobell and I continue to do so. Let me also make this observation: what we are seeing from the opposition today is 'distraction day'. They think the Australian public are stupid. They think members of the press gallery are stupid, too. They think, on a day on which the government will deliver two major pieces of economic reform—the minerals resource rent tax, where the opposition is in a world of pain about denying company tax cuts—

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

Ms GILLARD: Mr Speaker, I am explaining the motivation for the question. On a day on which there are two major economic reforms before this parliament, the
mineral resource rent tax and the skills reform package—

Opposition members interjecting—

The SPEAKER: The Prime Minister does not need to explain the motivation. She needs to answer.

Ms GILLARD: Mr Speaker, this is the best they can do—a cheap distraction—and everyone should see through it.

MOTIONS

Prime Minister

Mr PYNE (Sturt—Manager of Opposition Business) (15:04): I move:

That so much of the standing and sessional orders be suspended as would prevent the Member for Sturt moving immediately: That the Prime Minister be called on to explain:

(1) why the interests of the members of the Health Services Union come second to the Prime Minister’s interests in keeping the Member for Dobell in Parliament;

(2) why the Government won’t require Fair Work Australia to co-operate with the New South Wales and Victorian police fraud squads investigating into the member for Dobell;

(3) whether the Prime Minister agrees with the unconscionable delay in Fair Work Australia’s investigation into the Member for Dobell;

(4) why the Prime Minister or any of her Ministers will not refer the Fair Work Australia inquiry into Health Services Union Number 1 branch to the Australian Taxation Office or the Director of Public Prosecutions for further study as to whether its former officers are in breach of any Commonwealth laws;

(5) whether the links between her government and Fair Work Australia and the communications between her office, her Ministers and their staff with Fair Work Australia have tainted the investigation into the Member for Dobell; and

(6) whether the Prime Minister will accept the vote of the Member for Dobell should an adverse finding be made against the Member for Dobell by Fair Work Australia.

Standing orders should be suspended and this matter given absolute precedence in the House today because this is a Prime Minister who is clinging to office with the support of the tainted member for Dobell, and her failure to act means that the taint that infects the member for Dobell now infects her and her government.

The SPEAKER: Order! This is not a motion against the honourable member for Dobell. It is a motion to suspend standing and sessional orders. The honourable member cannot cast a reflection, as he has, on the honourable member for Dobell. He will withdraw.

Mr PYNE: I withdraw, Mr Speaker. And the reason this motion should be given precedence over all other business is painfully transparent to the Australian public and to everybody other than the members of the Australian Labor Party. The Prime Minister should be called upon to come into this House and explain how it is that what everybody knows to be true about her government—that it relies on the vote of the member for Dobell to remain in office—can continue to be the case, sapping the very confidence the Australian people can have in a Prime Minister and a government that rely on such a tainted vote.

Let us look at the undisputed facts in this case. The BDO Kendalls report, an independent report, found that the member for Dobell had been engaged in inappropriate spending and that he was likely to have breached industrial laws by taking his then wife on 19 flights and by his failure to question seven credit card transactions for adult services totalling $5,000.

We have the Fair Work Australia report into the HSU branch No. 1 that was released on Friday that found that officers acted in a manner designed to secure a private advantage and were improperly using their
positions to gain a personal advantage. It found that spending of $5,000 of members’ money to gain experience and knowledge for the political campaign of Barack Obama was regarded by officers of the Health Services Union as justifiable spending. Fair Work Australia found that spending on officers to send them to a wedding was regarded as appropriate spending—

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

Mr Fitzgibbon: Mr Speaker, I rise on a point of order. I am reluctant to intervene, Mr Speaker, because I know you feel uncomfortable with the contribution by the Manager of Opposition Business. If he wants to make these accusations against the member for Dobell, he needs to do so by way of substantive motion. If he wants to do that, of course he will be required—

The SPEAKER: The honourable member will resume his seat. The call is withdrawn. Is the motion seconded? I call the honourable Deputy Leader of the Opposition—

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (15:10): Thank you, Mr Speaker—

The SPEAKER: and, before she gets the call, I will ask the member for Sturt to return to the dispatch box to withdraw the reflection on the honourable member for Dobell.

Mr Pyne: I withdraw, Mr Speaker.

Ms JULIE BISHOP: Mr Speaker; I second the motion. It is vital that standing orders be suspended to provide the Prime Minister with the opportunity to explain her ongoing solidarity with the member for Dobell and her confidence in him, given the findings of a report that was handed down last Friday and the findings of a report from BDO Kendalls which she has in her possession, and whether she supports the decision of Fair Work Australia to refuse to cooperate with the New South Wales and Victorian fraud squads' investigations into the member for Dobell. And, as was apparent from the minister for employment, aka the minister for union bosses, extraordinary answers in question time, it is necessary for the Prime Minister to explain how it is that the Prime Minister can still be so unconcerned with the members of the Health Services Union, particularly given the findings of the HSU No. 1 branch investigation—

The SPEAKER: Order! The honourable member will resume his seat. The call is withdrawn. Is the motion seconded? I call the honourable Deputy Leader of the Opposition—

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (15:10): Thank you, Mr Speaker—

The SPEAKER: and, before she gets the call, I will ask the member for Sturt to return to the dispatch box to withdraw the reflection on the honourable member for Dobell.

Mr Pyne: I withdraw, Mr Speaker.

Ms JULIE BISHOP: Mr Speaker; I second the motion. It is vital that standing orders be suspended to provide the Prime Minister with the opportunity to explain her ongoing solidarity with the member for Dobell and her confidence in him, given the findings of a report that was handed down last Friday and the findings of a report from BDO Kendalls which she has in her possession, and whether she supports the decision of Fair Work Australia to refuse to cooperate with the New South Wales and Victorian fraud squads' investigations into the member for Dobell. And, as was apparent from the minister for employment, aka the minister for union bosses, extraordinary answers in question time, it is necessary for the Prime Minister to explain how it is that the minister for employment can say, 'We are certainly going through that report,' and 'We are certainly drawing it to the attention of the regulatory authorities to which we can,' and then, when he was asked in a later question, 'To which regulatory authorities?' he denied he had even said it. The Prime Minister must come into this House and explain how it is that the Prime Minister can still be so unconcerned with the members of the Health Services Union, particularly given the findings of the HSU No. 1 branch investigation handed down this week.
It was not always the case that the Prime Minister was unconcerned about such matters. In fact, the Prime Minister gave a speech in this House some years ago warning about the evils of credit cards. This demands an explanation from the Prime Minister. With a degree of prescience, the Prime Minister said in that speech:

… we really need to look at what causes people to have credit cards …

Well, the members of the HSU would want to know what caused the member for Dobell to have seven credit cards funded by their union dues which were allegedly spent on escort services. And that is why standing orders must be suspended.

The SPEAKER: Order! The Deputy Leader of the Opposition will recall that she is supposed to be talking to a suspension motion.

Ms JULIE BISHOP: Yes, Mr Speaker. And that is why standing orders must be suspended—so that the Prime Minister can explain why she is not interested in these allegations of credit card abuse when in fact, years ago, it was the subject of a very detailed speech in this House, and I am sure the members of the HSU would be very keen to know why the Prime Minister was once concerned about the abuse of credit cards but, when it comes to their union dues, she is no longer interested. Standing orders must be suspended so that the Prime Minister can reacquaint herself with the concerns that she once had about credit card abuse.

The Prime Minister should also explain how it is that Fair Work Australia can pride itself on its 'efficiency'. In fact, in its latest annual report Fair Work Australia boasted of the quick turnaround in the processing of enterprise agreements. Apparently they take just 22 days from lodgement to finalisation, 15 days for a greenfields agreement and 27 days for more complex agreements, and that is why standing orders must be suspended: because the Fair Work Australia organisation has claimed that, in the case of lodgement of details of loans, grants and donations, there is 100 per cent reporting finalised within 28 days. Well, congratulations, Fair Work Australia, because you have taken 1,000 days to investigate the member for Dobell's credit card misuse! And that is why standing orders must be suspended, so that the—

The SPEAKER: Order! The honourable member referred to 'the member for Dobell's credit card misuse' which is a reflection—

Ms JULIE BISHOP: Alleged—alleged misuse. I have said that before, Mr Speaker.

The SPEAKER: The honourable member will withdraw any reflection on the member for Dobell.

Ms JULIE BISHOP: I withdraw. And Fair Work Australia was created by the Prime Minister. Many of its senior officers were personally appointed by the Prime Minister.

The SPEAKER: Order! The honourable deputy leader will resume her seat.

Mr Fitzgibbon: Mr Speaker, I rise on a point of order. The Deputy Leader of the Opposition now is not only abusing process but also abusing a statutory authority—in my mind an even greater crime than the reflections on the member for Dobell. If she wants to make such accusations she should do so by way of—

The SPEAKER: The honourable Chief Government Whip will remove himself from the chamber under the provisions of standing order 94(a).

The member for Hunter then left the chamber.

Ms JULIE BISHOP: The Prime Minister must come into the House and explain how it is that she can hide behind the independence of Fair Work Australia yet has
hand-picked from the union movement virtually all the recent appointments. The Fair Work Australia-Labor union family tree, quite frankly, rivals the organisational chart of the five mob families in New York—which can be found at www.mafiafamilytree.com. This family tree of Fair Work Australia requires explanation from the Prime Minister. (Time expired)

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (15:15): This is the 49th suspension moved by those opposite and the third attempt at suspension today. I noticed that the Leader of the Opposition would not associate himself with those sorts of tactics by having the Manager of Opposition Business and the Deputy Leader do it. Today the Leader of the Opposition had the Leader of the National Party ask the first question. They started low and they got lower—and they got lower as the day went on. In the last contribution they hit a nadir; they hit the bottom of the pit.

Those opposite will do anything rather than discuss the issues that are of importance to the Australian people, and that is why standing orders should not be suspended. It should not be the case that this parliament gets distracted because those opposite have absolutely nothing positive to say about the economy, about employment, about the environment, about social policy or about the mining boom. And it is on a day when the Minerals Resource Rent Tax Bill will go through the other place and will become law as a result of that. But they want to discuss anything rather than a suspension of standing orders.

Mr Pyne: Mr Speaker, on a point of order: the motion that is before the House is why the suspension of standing orders should be carried in order to debate the motion I moved—a very serious motion about matters to do with the member for Dobell, Fair Work Australia and the Prime Minister's involvement. It was not about the minerals resource rent tax, and there is no basis upon which the Leader of the House could be debating the minerals resource rent tax.

The SPEAKER: Firstly, it is not about the motion he proposes to move if standing orders are suspended. The Leader of the House was straying, and he is aware of that. And he will return to the substance of the suspension motion.

Mr ALBANESE: I will outline before the House what we should be debating. That is why this suspension motion should not be carried. That is what I will do, and that is what I will do every single time those opposite raise these daily stunts. I was once Manager of Opposition Business, and I sat down in the tactics room in the opposition leader's office day after day. We discussed, when it came to a suspension of standing orders, whether there was momentum, whether it was significant, whether it was a big issue. What we did not do was walk in here with a motion like this one moved by the Manager of Opposition Business—pre-typed out, pre-signed, pre-ordained and with no momentum and no ability whatsoever to get traction. That is why it was not even taken seriously by their own backbench.

Mr Pyne interjecting—

The SPEAKER: The Manager of Opposition Business will remain silent.

Mr ALBANESE: So why should we take it seriously on this side of the House? We should not suspend standing orders, because what we should have had was question time. But those opposite had the hide, when earlier on today we were discussing the motions of condolence, to say, 'We'll miss out on question time.' On 13 out of 15 days they have come in here and
moved a suspension of standing orders—not on the issue of the day, not on anything in which there was any urgency whatsoever, but just so they could get back into the gutter to do anything whatsoever to avoid debating the economy. This afternoon I would like to have a range of debates that are on the Notice Paper.

Mr Pyne: Mr Speaker, I rise on a point of order.

The SPEAKER: This had better be a genuine point of order, because I have been listening to the Leader of the House, and he appears to be in order. But I am listening to the point of order.

Mr Pyne: Mr Speaker, with great respect, I beg to differ. He was reflecting on members of the opposition by describing us as ‘getting down in the gutter’. And as I was asked to withdraw matters to do with the member for Dobell in which I was accused of reflecting on the member, I regard that as offensive and I would ask you to ask him to withdraw it.

The SPEAKER: I would ask the Leader of the House to assist the House by using more moderate language.

Mr ALBANESE: Mr Speaker, thank you. The fact is, those opposite have absolutely nothing to say about the economy. They have absolutely nothing to say about the big debates that are before this parliament. Just before question time we passed the safe rates legislation. I was hoping there might be a question from those opposite about safe rates for truck drivers and why it was important. If we had not had this suspension of standing orders moved we might have got it—unlikely, but possible.

I was hoping beyond hope, when the Leader of the National Party stood up at the beginning of question time, that I might get a question. They had been critical about safe rates, which is about justice for those hardworking truckies and ensuring safety on our roads. There might have been a question about the shipping reform that we have got forward. Those opposite are saying they are against that as well. Of course, that is shipping reform that, had we not suspended standing orders, we could have had a question about. I could have explained how we are introducing a zero tax rate for Australian shippers, how we are introducing a tax exemption for Australian seafarers, how we are making sure that the Australian flag can once again be used on the back of Australian ships. But of course those opposite are against it because they have never seen a tax reduction that they could support, whether it be in the area of company tax or whether it be in the area of shipping. The only tax policy that they have got is to oppose company tax reductions and they have a policy of putting it up—

The SPEAKER: Order! The Leader of the House will return to the motion.

Mr ALBANESE: It is not surprising that they want to suspend standing orders rather than debate substance because we know that if they have to debate substance they might have to debate their $70 billion black hole. They might have to discuss the comments of Senator Sinodinos, who said just today that ‘there has been a bit of untidiness in this area’. That is what he thinks about their economic performance. They cannot even agree about which of their promises are real or aspirational.

The SPEAKER: The Leader of the House will return to the substance of the motion.

Mr ALBANESE: That is why we should not suspend standing orders, because I want to discuss these issues. I want to discuss their policies on PPL, tax cuts, the National Disability Insurance Scheme and the national dental scheme because it appears they are
Just all over the shop on all of those issues. They have a $70 billion black hole. I was hoping perhaps that I might even get a question about infrastructure. We know that it is unlikely—I have not had one for years—but we were hoping that we might get one if we did not suspend question time. I notice that the Leader of the Opposition had a blog in the Daily Telegraph recently where he promoted support for the M4 East, the F3 to M2, the M5 East widening, the North West Rail Link and the road tunnel under Mosman.

**The SPEAKER:** The Leader of the House will return to the motion.

**Mr ALBANESE:** That is $50 billion of promises in a blog and they have already got a $70 billion dollar black hole. It is no wonder they do not want to discuss the issues of substance. That is why they try to suspend standing orders every day. They come in here, but they do not put any time or effort into their questions in question time. There is no probing of the government as to the policies of the day. There is no probing of the implications behind, for example, the safe rates legislation, which they say is so terrible. There are no questions about the detail of that legislation because they are simply not interested in it. What we saw them doing last Thursday is a new thing. Not only do they waste time with the suspension of standing orders, they now waste time bobbing up like Jack and Jill up the back there giving five-minute grabs so that they avoid voting on legislation and avoid going down on that legislation.

This is a good day for the parliament. We had safe rates carried by this House and the MRRT will be carried by the other house. That is why we should not waste time with a suspension of standing orders. They do not talk about why standing orders should be suspended, but they put a whole lot of slurs out against members of parliament, statutory authorities and anyone else who stands in their way. We on this side want to talk about our plans for enhancing opportunities for nation building, for returning the budget to surplus and our positive vision for the future. That is what we are focused on and that is what this parliament should be focused on. It should not be focused on the longest dummy spit in Australian political history, which we are seeing from those opposite. It is no wonder when you see the sorts of performances from those opposite that people know in their guts that he is nuts. That is what they know, because those opposite just engage in relentless negativity day after day.

**Mrs Bronwyn Bishop:** Mr Speaker, I rise on a point of order. The term just used by the Leader of the House concerning the Leader of the Opposition is quite offensive and should be withdrawn.

**The SPEAKER:** I did not hear the actual remark. Would the Leader of the House assist the House?

**Government members interjecting**—

**The SPEAKER:** I warn the honourable member for Mackellar! The member for Mackellar has the advantage over me as I did not hear it. The Leader of the Opposition did not take exception to it. I ask the Leader of the House: would he be prepared to facilitate the business of the House?

**Mrs Bronwyn Bishop interjecting**—

**The SPEAKER:** Order! I did not hear what the term was, and I cannot require the
term to be withdrawn unless I know what it is. If I know what it is, I am able to determine whether or not it ought to be withdrawn. I did ask the Leader of the House whether he would assist the House, but he was of the view that he had not made an unparliamentary statement. I did not hear it. On that basis, I would have called the honourable member for Menzies; however, the first member to rise was the minister for trade, who has the call.

**Opposition members interjecting—**

**Dr Emerson:** I was standing before him.

**The Speaker:** The minister will resume his seat. I am listening to a point of order.

**Mr Andrews:** Mr Speaker, my point of order, with the greatest respect, is that the member for Mackellar was on her feet at that stage taking a point of order. It would have been disorderly on my part to come up here and bowl her out of the way of the dispatch box and it is my submission, Mr Speaker, that you should give the call to this side in this debate.

**The Speaker:** The first member I saw—the minister for trade has the call.

**Mr Pyne:** Mr Speaker, I rise on a point of order. I was following proceedings very closely. I am just speaking to your ruling.

**The Speaker:** The honourable member will resume his seat.

**Mr Pyne:** Mr Speaker, I am taking a point of order.

**The Speaker:** I have ruled against your point of order. The question is that the motion moved be agreed to and I call the Minister for Trade and Competitiveness.

**Dr Emerson** (Rankin—Minister for Trade and Competitiveness) (15:29): The reason that standing orders should not be suspended is that this parliament should be a clearing house in the contest of ideas. It should not be the forum for smearing Fair Work Australia or for smearing the member for Dobell. What it should be is a battle of ideas. That is what the Australian people expect here. They do not expect the scorn and derision and the grubby, filthy politics from those opposite, who engage in chants and mafia. What you have engaged in today is an absolute disgrace and you should be ashamed of yourselves.

**The Speaker:** Order! The minister will withdraw the reflection on the members of the opposition. He will approach the dispatch box and do so.

**Dr Emerson:** I withdraw. Mr Speaker, this—

**The Speaker:** Order! The time allotted to this debate has expired. The question is that the motion moved by the honourable the Manager of Opposition Business for the suspension of standing and sessional orders be agreed to.

The House divided. [15:34]

(The Speaker—Hon. Peter Slipper)

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**AYES**


Question negatived.

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

QUESTIONS TO THE SPEAKER

Standing Orders

Mr ABBOTT (Warringah—Leader of the Opposition) (15:39): Mr Speaker, I have a question for you. You said earlier today that certain statements about the member for Dobell could only be made by substantive motion. My question, Mr Speaker is this: if leave is not granted for a substantive motion and if an absolute majority is not obtainable how can a substantive motion be moved in this House? In effect, haven’t you in effect gagged the parliament?

The SPEAKER: Could you repeat the last sentence?

Mr ABBOTT: Mr Speaker, I asked you a question based on your statement today that certain things about the member for Dobell could only be said by way of substantive motion. My question, Mr Speaker is this: if leave is not granted for a substantive motion and if an absolute majority is not obtainable how can a substantive motion be moved in this House? In effect, haven’t you in effect gagged the parliament?

Mr Melham: Mr Speaker, with your indulgence—

The SPEAKER (15:40): I do not think that I need the assistance of the member for Banks. I understand the point that the Leader of the Opposition is making. However, I
would draw his attention to standing order 90. The chair is bound by the standing orders.

**DOCUMENTS**

**Presentation**

Mr STEPHEN SMITH (Perth—Minister for Defence and Deputy Leader of the House) (15:40): Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings and I move:

That the House take note of the following documents:


Debate adjourned.

**QUESTIONS TO THE SPEAKER**

**Standing Orders**

Mr BALDWIN (Paterson) (15:41): Mr Speaker, I refer to *House of Representatives Standing and Sessional Orders* and in particular to standing order 47, which is about the suspension of standing orders. I refer to actions taken under standing order 89, which is about motions that a member be no longer heard. I would ask you in your capacity as Speaker to examine any precedents in standing orders or indeed in reps practice that occur in the same way as ministerial responses to answers occur, for which the clock is stopped. I ask that because the situation occurred today in which the government was defeated on a motion that the member be no longer heard but the time had expired on the clock. To pre-empt that, others may refer to the fact that a quorum denies a member speaking time, but under standing order 55—which is about the calling of quorums—it is the duty of the government to hold a quorum in the House so as not to deny a member time to speak. So, Mr Speaker, I ask you to explore that. What we are seeing is slow counting reducing the amount of time available to a member to speak on a motion to suspend standing orders.

The SPEAKER (15:43): Firstly, the chair is not aware as to whether tellers are counting slowly or whether that reflects on the counting ability of the tellers. Secondly, the point made by the member for Paterson is well made. I suspect that the instance he has highlighted is not the first or the last time that will occur while standing orders are as they currently are. I commend to him page 513 of *House of Representatives Practice*, which says:

The period of time allotted for a Member’s speech is calculated from the moment the Member is given the call (unless the call is disputed by a motion under standing order 65(c)) and includes time taken up by interruptions such as divisions …

Under our current rules, what happened this morning was entirely proper. It would be within the competence of the House to change the standing orders if the House were so disposed.

Mr BALDWIN (Paterson) (15:44): Mr Speaker, in relation to unsuccessful motions, I ask you also to explore, where there are procedures denying a member the opportunity to speak to a motion such as one that a member be no longer heard and where the clock had been stopped, whether there are precedents or something is highlighted in *House of Representatives Practice* that allows the member the right to speak for their allotted time.
The SPEAKER (15:45): I am confident that the standing orders have been observed on prior occasions. If I become aware of a situation where that has not occurred I will notify the honourable member privately.

Last Thursday I advised the House that I would check the Hansard record in relation to a term that appeared to have been used by the honourable the Leader of the Opposition in connection with the honourable member for Griffith. The Hansard record shows that the honourable leader had indeed used an offensive term about the honourable member. The first reference cited words that had been used outside the House by another member. The second reference was in the leader’s own words. It is clear from House of Representatives Practice and from Erskine May that members may not circumvent the standing orders concerning offensive words by the device of using quotations or referring to the words of others. I would caution all honourable members about these matters and I would not expect this particular term or practice to be used again.

Mr PYNE (Sturt—Manager of Opposition Business) (15:46): On indulgence—on your statement to the House, Mr Speaker: I hear what you have said and I am grateful for your continued guidance, as always. You have been asked questions and points of order were raised about the unparliamentary phrase that the Leader of the House used, and continues to use, about the Leader of the Opposition during question time and the debate on the suspension today and which he has been asked to withdraw before. With great respect, I ask you to listen very carefully to the Leader of the House in future, because that phrase, quoting another, stands in exactly the same category as those that you referred to in the statement you have just made.

The SPEAKER (15:47): I listen to all honourable members very closely and I endeavour to enforce the standing orders impartially to the best of my ability.

COMMITTEES

National Broadband Network Committee Membership

The SPEAKER (15:47): I have received advice from the Chief Government Whip nominating a member to be a participating member of the Joint Standing Committee on the National Broadband Network.

Mr STEPHEN SMITH (Perth—Minister for Defence and Deputy Leader of the House) (15:47): by leave—I move:

That Mrs D’Ath be appointed a participating member of the Joint Standing Committee on the National Broadband Network.

Question agreed to.

Public Works Committee Report

Ms SAFFIN (Page) (15:49): On behalf of the Parliamentary Standing Committee on Public Works I present the committee’s 75th annual report incorporating a supplementary statement and I ask leave of the House to make a short statement in connection with the report.

In accordance with standing order 39(f) the report was made a Parliamentary Paper.

Ms SAFFIN: by leave—The committee is required to present a report of its proceedings during the calendar year just ended, under section 16 of the committee’s act. The year 2011 was a busy one for the committee, in which it conducted inquiries into 11 works with a combined total cost of $782.7 million. Appendix A of the report lists all inquiries completed by the committee in 2011 and the costs of the individual works. The committee also
considered 48 medium works projects, with individual budgets of between $2,000,000 and $15,000,000. In 2011, the combined cost of all medium works notifications was $433.3 million. These projects are listed at appendix B of the report. The committee held 36 meetings and hearings throughout Australia during 2011, in Canberra, Brisbane, Albury, Darwin, Christmas Island, Point Cook, Scottsdale, Sydney and Nowra. These meetings are listed in appendix C of the report.

There are a few matters I would like to highlight. The committee takes very seriously its obligation to consider and report on each work as quickly as possible. In 2011, the average time from the referral of a work to tabling its report was 15 weeks. A number of works were deemed exempt from committee consideration in 2011, including the National Broadband Network Co. Ltd and Aboriginal Land Trusts. The committee's regulations were amended to include NBN Co. as a Commonwealth authority and therefore exempt from the committee's scrutiny. However, the NBN Co. is still subject to parliamentary scrutiny through the Joint Committee on the National Broadband Network. The honourable member for Mallee, the deputy chair, and his coalition colleagues on the committee have made a supplementary statement on this issue, which the member for Mallee will speak to.

The Aboriginal Land Trusts were exempted through an amendment to its own establishing legislation, the Aboriginal Land Rights (Northern Territory) Act 1976. There may be genuine reasons why some agencies require an exemption from parliamentary scrutiny. For example, these could be for reasons of urgency or national security. However, the committee remains concerned that some agencies may seek to amend establishing legislation to avoid the scrutiny of the committee. Rather than being an impediment, the Public Works Committee inquiry process should be viewed as an opportunity for agencies to demonstrate that their project represents value for money and is fit for purpose.

Regarding the two matters that I just talked about, I would like to put on the record an assurance to the two agencies and ministers that they can have absolute confidence in the Public Works Committee, in its competence and in the way that it approaches the tasks that are before it. It does that in a very professional, technical and non-partisan way. That has been my experience on the committee to date.

I would also like to give special thanks to officers of the Special Claims and Land Policy Branch of the Department of Finance and Deregulation, who assist agencies in preparing their proposals for committee consideration. I thank members and senators, past and present, for their work throughout 2011. I particularly thank the deputy chairs of the committee in 2011. That is currently the honourable member for Mallee and previously was Senator Judith Troeth. I commend the report to the House.

Mr FORREST (Mallee) (15:53): by leave—I wish to make some remarks on the supplementary statement in this report. The Public Works Committee has been operating for 99 years. It will be 100 years in September next year. It is a very good committee that does not bother with partisanship. It operates purely on the principle of what is in the best interests of the people of Australia, who provide the money that the agencies spend. Coalition members on the parliamentary joint standing committee feel very strongly about the exemptions that tend to keep occurring. This annual report, the 75th of this committee submitted to the parliament, makes reference to two of those—the Aboriginal land trusts
exclusion and the exclusion of the National Broadband Network from scrutiny by the parliamentary Public Works Committee.

I think this is a travesty. I know the member for Pearce spoke on this at the resolution on the Aboriginal land trusts, but what needs to be understood quite strongly here is that the executive of the parliament does not own the money that gets spent by the agencies it regulates. It belongs to the people of Australia. The executives and governments of the day have very clever and creative ways of extracting this income from Australians. I think it is beholden on every single member of this chamber to exercise their responsibility to make sure that every single cent of those dollars is spent wisely and in a way that honours the objectives the parliament sets.

Back in 1913 the Public Works Committee was established after a long and tortuous debate to establish:
(a) the stated purpose of the work and its suitability for that purpose;
(b) the necessity for, or the advisability of, carrying out the work;
(c) the most effective use that can be made, in the carrying out of the work, of the moneys to be expended on the work;
(d) where the work purports to be of a revenue-producing character, the amount of revenue that it may reasonably be expected to produce; and
(e) the present and prospective public value of the work.

Also, it was to ensure the procurement processes satisfied the high standards of probity for Commonwealth projects.

I have served on this committee all of my parliamentary life here and I have rigorously pursued those principles. It has been an excellent committee where partisanship has been left at the door. I commend the current member for Page, who currently chairs the Public Works Committee, for continuing the tradition which has been operating, as I said, for close to 100 years. The committee has dealt with some very sensitive political subjects. It does not matter who is in government. I can remember times on the committee when we dealt with refugee detention centres. We got through that sensitively and in a way that observed those principles I made reference to.

I think it is a travesty that this has occurred. It is not sufficient to satisfy me that another joint standing committee has been established to supervise the activities of the National Broadband Network. I argue very strongly that that committee does not have the powers of the Public Works Committee. We have the capacity to subpoena uncooperative witnesses. The reality of dealing with commercial-in-confidence material in camera in a way that the people who provide it can have confidence that there will be no leaks comes from a commitment that is signed by every member of the committee to observe those principles.

The coalition members—for the first time ever, I believe, in an annual report of the Public Works Committee—have submitted a supplementary statement. I was grateful for the chair's cooperation to at least record some of the facts about those two exemptions. But we as coalition members did not think it went far enough and we wanted the House to note our concern and our desire that this trend for no other reason than to hide must stop if the parliament, including every single member of this place, is to observe our most critical responsibility—and that is to ensure that every cent from money that is provided by Australian taxpayers is spent wisely and judiciously. This committee has a reputation for rigorously pursuing those objectives. Coalition members thereby record their objections.
Report


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

Ms SAFFIN: by leave—On behalf of the Parliamentary Standing Committee on Public Works I present the second report of 2012 addressing referrals made in November 2011. This report deals with two inquiries with a total estimated cost of $101.7 million. In each case, the committee recommends the House of Representatives agree to the works proceeding. Chapter 2 of the report deals with projects 2 and 3 of the Christmas Island New Housing Program referred by the Department of Regional Australia, Local Government, Arts and Sport. The two projects have an estimated cost of $11.1 million. Chapter 3 of the report considers Defence Housing Australia's proposed development and construction of defence housing at Ermington, Sydney. It is estimated this project will cost $90.6 million.

Let me first deal with the new housing program on Christmas Island. The new housing program on Christmas Island consists of three projects with a total allocated budget of $26.6 million. The committee was notified of project 1 in December 2010 as a medium works proposal of between $2 million and $15 million. The committee agreed to project 1 proceeding as medium works, provided that projects 2 and 3 were referred to the committee for full inquiry. Project 1 is likely to be completed in June this year and will deliver 16 new houses on Christmas Island at Drumsite village. In project 2, the department proposes to construct a further 14 houses at Drumsite. If the remaining budget allows, the department proposes to construct two further larger dwellings at a site called Silver City.

The department states new housing is needed on Christmas Island to reduce pressure on the local rental market. Constructing new dwellings will reduce the number of houses leased by the Commonwealth for staff providing essential services and support. The dwellings will encourage employees to live on the island for longer periods with their families, building strong and long-lasting relationships with the local community. The department also argues that current housing requires substantial and ongoing maintenance, as it is outdated and not fit for purpose. The new houses would use materials which can withstand the tropical climate and other conditions unique to the island. The design would reflect the needs of Commonwealth employees, and their families, who reside on the island.

The committee visited Christmas Island in June 2011, where it received a comprehensive briefing from the department on the new housing program. The department provided a further briefing on projects 2 and 3 before the hearings were held in Canberra on 2 March this year. The committee is satisfied from the detailed evidence provided that projects 2 and 3 of the Christmas Island New Housing Program are needed. The committee is also satisfied that the works will offer value for money for the Commonwealth.

I move to speak to the second inquiry of this report. Defence Housing Australia proposes to develop and construct 209 new dwellings at a designated site called AE2 Ermington in Sydney, at an anticipated cost of $90.6 million. The purpose of the project is to reduce the number of defence families residing in private rental accommodation in the Sydney area. Almost 36 per cent of
defence families in Sydney are utilising Defence's rent allowance housing subsidy, which is significantly higher than the target of 15 per cent. The works would include road and civil infrastructure works as well as the construction of the dwellings. The project will be rolled out in four phases over a three-year period. Nine superlots, which can accommodate 228 apartments, will also be developed. The superlots will be sold and Defence Housing will have the option of utilising 30 per cent of the apartments for defence personnel.

The site at Ermington was previously owned by Defence, who prepared and sold the site for residential development. The site was a naval depot in World War II. This site has been named AE2 in recognition of its Navy heritage. AE2, the 'Silent Anzac', was the first Allied and Australian submarine to enter the Dardanelles Strait in 1915. The committee thanks AE2 Commemorative Foundation for its submission to the inquiry and for attending a public hearing in support of the name AE2. The housing project will be developed in accordance with the Ermington master plan. This plan was developed in consultation with the local community group, the Ermington Residents Committee. The committee was pleased to see that Defence Housing Australia has continued a positive working relationship with the Ermington Residents Committee and the wider local community. The committee would like to thank Mr Ken Newman, Chairman of the Ermington Residents Committee, for preparing a submission to the inquiry and for providing evidence during the public hearing.

The committee is satisfied that the proposed development and construction of defence housing at Ermington is needed. It will provide additional housing options for defence personnel and their families in the Sydney area. The committee is of the view that the development will be fit for purpose and will offer value for money for the Commonwealth. Indeed, the cost of the project will be recovered through the agency's sale and lease-back program.

I would like to thank members and senators for their work in relation to these inquiries. I would also like to welcome the member for Shortland to the committee and thank the member for Oxley for his service to the committee in this parliament. I commend the report to the House.

BILLS
Superannuation Legislation Amendment (MySuper Core Provisions) Bill 2011

Superannuation Legislation Amendment (Trustee Obligations and Prudential Standards) Bill 2012
Report from Committee

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

Ms O’NEILL: by leave—On 3 November 2011 the House of Representatives referred the Superannuation Legislation Amendment (MySuper Core Provisions) Bill 2011 to the committee for inquiry and report. The committee received 18 submissions into the provisions of this bill and held a public hearing on 2 March 2012 in Canberra. On 29 February 2012, the Senate referred the Superannuation Legislation Amendment (Trustee Obligations
and Prudential Standards) Bill 2012 to the committee. While the committee had limited time to consider this bill, it did call for and receive 11 submissions. The committee also offered those witnesses who gave evidence at the public hearing on 2 March the opportunity to comment on the provisions of the trustees bill and, in the report that I table today, the key issue of trustee obligations in proposed section 29VN of the bill is discussed in some detail. The committee thanks all those who made submissions and gave verbal evidence to the committee.

The MySuper core provisions bill and the trustee obligations and prudential standards bill are part of the Australian government's Stronger Super reform package announced in December 2010.

The MySuper core provisions bill would amend the Superannuation Guarantee (Administration) Act 1992 and the Superannuation Industry (Supervision) Act 1993 to introduce a new regulatory framework for default superannuation products. As the Minister for Financial Services and Superannuation has stated:

… around 60 per cent of Australians do not make active choices in relation to their superannuation.

… … …

Having created an industry which flourishes on the back of compulsory savings mandated by legislation, it is fair that this industry, which benefits so much from the compulsory saving system in Australia, contributes to higher retirement savings through greater efficiency and lower fees.

The minister added:

MySuper will provide a simple, cost-effective default product that all Australians can rely upon.

I can inform the House that submitters to this inquiry supported the introduction of simple, comparable and cost-effective default superannuation products, as envisioned by the MySuper reforms. The Australian Chamber of Commerce and Industry argued that the reforms are required to give appropriate recognition to consumer behaviour. It stated in its submission:

ACCI supports the MySuper goals of reducing account costs, making costs more transparent, improving the basis for inter-fund comparison, and providing improved member protection.

ACCI recognises that many employees are not well positioned to be actively engaged in making investment decisions, and an appropriate superannuation system must recognise this.

The Financial Services Council told the committee that the reforms will enhance transparency and consumer protection within Australia's superannuation sector. To quote the Financial Services Council:

For the first time, it effectively says that when you have a compulsory savings system in this country we believe there ought to be some protections or some provisions around where those compulsory moneys flow.

The Industry Super Network strongly advocates the reforms, arguing:

… it is entirely appropriate to reassess the regulatory framework, particularly for superannuation providers who wish to offer default funds in workplaces where members do not exercise a choice of fund.

The Financial Planning Association of Australia noted in its evidence that it:

… supports the intention to have 'comparable' characteristics based on cost, investment performance and the level of insurance coverage.

The committee considers that the introduction of a cost-effective, simple and comparable default superannuation scheme is compatible with the objective of promoting a market in which consumers can confidently invest. The evidence provided to this committee and explored by the super system review panel points to a need for reform. A system cannot be in the best interests of its members or facilitate informed participation if it does not
effectively respond to members' engagement with that system.

The evidence before the committee also highlights the alarmingly low levels of consumer financial literacy regarding Australia's superannuation system. The committee would welcome greater efforts to improve members' understanding of an investment that is of significant financial importance. The committee may raise this matter with the Australian Securities and Investments Commission (ASIC) as part of the committee's ongoing oversight of ASIC. The committee would also be interested in advice in this area from the Financial Literacy Board regarding the board's activities in this area.

I commend the report to the House and I thank the committee secretariat for their assistance.

Mr FLETCHER (Bradfield) (16:12): by leave—The report which has just been tabled deals with the Superannuation Legislation Amendment (MySuper Core Provisions) Bill 2011 and the Superannuation Legislation Amendment (Trustee Obligations and Prudential Standards) Bill 2012. The coalition has significant concerns with both of these bills.

Firstly, the MySuper core provisions bill has some very serious implementation issues. Secondly, the bill is defective in its failure to open up the default fund system to competition. And, thirdly, the bill is defective in relation to the provision of intrafund advice—that is to say, the bill is defective in relation to the arrangements under which intrafund advice may be provided, which allow the cost of that advice to be recovered across all members of the superannuation fund. This is inconsistent with a key principle underlying the Future of Financial Advice reforms, which are simultaneously going through the parliament, that financial advisers are not permitted to provide advice without charging for that advice in a transparent manner.

In relation to the trustee obligations and prudential standards bill, the coalition's view is that, while a broad sweep of reforms was recommended by the Cooper review, which underpins this set of bills, the bill deals, somewhat surprisingly, with only a selected area of those reforms. The provisions of the bill which impose additional obligations and liabilities on directors are, in our view, ill-judged and go too far, and the so-called scale test is very much opposed by the coalition. Rather than addressing all of these areas in the brief time I have available today, I wanted to focus briefly on the relationship between the introduction of MySuper products and the arrangements in relation to default superannuation funds. This is an area of significant concern to the coalition. A key aspect of the Superannuation Legislation Amendment (MySuper Core Provisions) Bill 2011 is that only MySuper products may be used by employers in making default superannuation contributions for employees who have not specifically chosen a fund. The wording of proposed section 29K(4), which is about the objects of that particular part of the bill, is clear:

… employers will need to pay contributions for an employee who has no chosen fund into a fund that offers a MySuper product.

The difficulty is that there is inadequate choice of MySuper products for employers to pay that contribution into.

The Cooper review recommended, firstly, that the Superannuation Guarantee Act should be amended so only a MySuper product would be eligible to be a default fund nominated by an employer and, secondly, that all MySuper products should be able to be nominated for default fund purposes in awards approved by Fair Work Australia. In other words, the policy
principle identified in the Cooper review, and a policy principle which on this side of the House we support, is that the only requirement for eligibility to be a default fund is simply that you have an approved MySuper product. Unfortunately, the legislative framework which will result from the bill, should it pass into law, together with existing law is that an additional necessary condition must be satisfied before a MySuper product is eligible to receive contributions in respect of a particular employee from an employer. That additional necessary condition is that the relevant superannuation fund has been approved by Fair Work Australia as a default fund—under the secretive and non-transparent process which Fair Work Australia uses.

The member for Robertson spoke of comments made by the Financial Services Council. I would like to refer to another observation made by the Financial Services Council. They had this to say:
This unnecessarily restrictive regulatory framework has a negative impact on the ability of employers to administer their compulsory superannuation obligations …

The council also said:
It also restricts competition, efficiency and innovation in the financial services industry.

The failure to include a provision in this legislation that any MySuper fund is eligible to compete in the marketplace—that any MySuper fund is eligible to be the default fund chosen by any employer—is a lamentable omission. It appears to the coalition to be inconsistent with the policy principles underlying the Cooper review.

I regret to say that the government’s failure to make provision for this appears to be part of an ongoing pattern of the government using superannuation policy to bolster and benefit the union movement. Successive Labor governments have seen considerable attraction in using the compulsory superannuation system to increase the power, influence and financial position of the union movement and its key personnel. The minister with responsibility for this package of bills is a natural candidate to advance such an agenda. He is a former secretary of the Australian Workers Union and a former director of the predecessor organisation to the largest industry superannuation fund, AustralianSuper.

Under the Fair Work Act, as I have mentioned, the so-called modern awards are required to contain a clause specifying the superannuation fund into which the employer must pay the employee's superannuation contributions if the employee has not separately nominated a fund. It stands to reason that to be nominated as a default fund under a modern award is a very valuable right because a default fund is guaranteed a steady stream of contributions. This is highly relevant to the content of the bills discussed in the report which has just been tabled, because of the point that I have just made—a failure to amend the law to ensure that the only necessary requirement to be nominated as a default fund, applicable to any employer-employee relationship, is to be a MySuper fund. An analysis conducted last year by the Institute of Public Affairs found that, across 166 modern awards approved by Fair Work Australia, there were a total of 566 superannuation funds specified. Of these, 513 were industry or public sector funds.

Decisions about the superannuation system—

**Mr Combet:** On a point of order, Mr Deputy Speaker: as a matter of courtesy we granted leave for the member to comment on this report. It is now extending into quite a lengthy contribution and there is much government business to be conducted.
The DEPUTY SPEAKER (Hon. BC Scott): I understand that, but leave was granted. I am sure the member for Bradfield is mindful of your concerns, but there is no time limit once leave has been granted.

Mr FLETCHER: I am bringing my contribution and my comments to a close. I conclude with these observations. Decisions about the superannuation system should be made in the interests of superannuation fund members. This bill's failure to deliver real choice of fund by making MySuper status the only requirement to be a default fund is a glaring omission. It is hard to avoid the conclusion that this is designed to continue to advantage one sector of the industry which in turn has very close links to the union movement.

Electoral and Referendum Amendment (Protecting Elector Participation) Bill 2012

Report from Committee

Mr MELHAM (Banks) (16:21): On behalf of the Joint Standing Committee on Electoral Matters, I present the committee's report entitled Advisory report on the Electoral and Referendum Amendment (Protecting Elector Participation) Bill 2012, incorporating a dissenting report, together with the minutes of proceedings.

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

Mr MELHAM: by leave—Australian Electoral Commission figures indicate that there are 1.5 million eligible Australians not on the Commonwealth electoral roll. These are people who have failed to enrol or did not update their address details and have consequently been removed from the roll. Under the current arrangements, if they do not submit a form to the AEC, they will not be able to vote at the next federal election.

The Electoral and Referendum Amendment (Protecting Elector Participation) Bill 2012 will provide the AEC with additional tools to improve roll completeness. The AEC will be able to directly enrol eligible people who are not currently enrolled based on data received from trusted third party sources.

Direct enrolment will provide a service to eligible electors and allow the AEC greater flexibility in its administration of the roll. Direct enrolment is not a panacea to declining enrolment rates, but together with other AEC activities for roll stimulation—such as targeted mail-outs, fieldwork and education programs—it will help enhance roll completeness and accuracy.

Increasing the number of eligible Australians on the roll will not compromise roll integrity.

The AEC recognises that not all data sources are suitable for direct enrolment. The third party sources that the AEC will use have been tried and tested in the existing CRU and objection processes. If we trust this data to disenfranchise Australians by removing them from the roll, then surely the AEC should also have the flexibility to use this data to enfranchise eligible electors.

The AEC will also perform further checks on the data to verify the identity, eligibility and address details before any action is taken to directly enrol someone.

In 2009-10, nearly 350,000 eligible electors were objected from the roll. Many thousands of people attended polling places at the last two federal elections and had to cast provisional rather than ordinary votes when their names could not be found on the roll. Prior to the 2007 federal election, the AEC had the discretion to reinstate around 50 per cent of these people to the roll and admit their votes to further scrutiny. However, the removal of this discretion...
combined with the evidence of identity requirements, also in effect at these elections, meant that fewer than 20 per cent of those provisional votes could be saved.

At the 2010 federal election, around 280,000 votes were rejected because these electors were incorrectly enrolled or not enrolled. Allowing the AEC the flexibility to reinstate these electors and to admit their provisional votes to scrutiny could have saved many of these wasted votes.

The proof of identity requirements were removed by the Electoral and Referendum Amendment (Provisional Voting) Act 2011. Now, this bill seeks to remove the other unnecessary restriction that has led to the significant increase in rejected votes.

Schedule 2 of the bill provides for the reinstatement of some electors who were objected off the roll and for their provisional votes to be fully or partially admitted to the count. The bill seeks to reinstate the safety net, which was in place prior to the 2007 federal election, for those electors who have clearly demonstrated their intention to vote by attending a polling place and casting a provisional vote.

The bill, in combination with the maintaining address bill, aims to balance the effects of the objection process on the roll and enable the data collection systems, which are deemed strong enough to object an elector to be used to assist eligible electors to meet their electoral obligations.

On behalf of the committee, I thank the organisations and individuals who assisted the committee during the inquiry through submissions or participating at the roundtable discussion in Canberra. I also thank my colleagues on the committee for their work and contribution to this report, and the secretariat for their work on this inquiry.

I commend the report to the House.

Mrs BRONWYN BISHOP (Mackellar) (16:26): by leave—In rising to speak to the report of the Joint Standing on Electoral Matters into its consideration of the Electoral and Referendum Amendment (Protecting Elector Participation) Bill 2012, once again, I note that this is a highly partisan report. The committee was split with the Labor Party and the Greens on the one hand and the members of the coalition on the other. As the government had the majority on the committee, that means the report becomes the majority report. But there was no agreement between the government and the opposition as to the need for this bill. In fact, the philosophical dispute is very strong.

The coalition believe firmly, as the Electoral Act sets out, that it is the responsibility of the Electoral Commission to maintain the integrity of the roll. That is its first, second, third or fourth, or whatever, obligation to do. There is plenty of case law which has been around to back up that contention. In 1993, Acting Chief Justice Brennan in the case of Muldowney and the Australian Electoral Commission said, 'The electoral roll is pivotal to the electoral system.' He held that the qualifications to vote include enrolment, noting that the term 'elector' is defined to mean someone on the roll and the mandating of an administrative hurdle like enrolment created is no undue hardship.

The legislation provides that it is the responsibility of an individual who is eligible to be on the roll to, firstly, enrol—and that means filling out a form with a signature—and, secondly, ensure that you change your address that you will notify the Electoral Commission of that within 21 days—hardly onerous responsibilities. Yet the universal franchise that we have in this country and our compulsory voting system ensure that we have a very high participation rate in the voting system.
As in the Orwell's *Nineteen Eighty-Four* where you simply say things that are the direct opposite of what is really meant is very much involved in this process brought in by the government. The Electoral and Referendum Amendment (Protecting Elector Participation) Bill is really the 'automatic enrolment' bill, just as the other bill which we will be debating later this week, the Electoral and Referendum Amendment (Maintaining Address) Bill, is really about changing addresses without an elector's knowledge or consent.

The important thing to note here is that the government is proposing to allow the Australian Electoral Commission to have absolute discretion in whichever role it chooses, which the chairman of the committee referred to as 'trusted sources'. No evidence has been given by the Electoral Commissioner as to why he would be making one decision as distinct from another or what examination there would be of this system, which was brought in in New South Wales and Victoria in the dying days of those governments to try to enhance their voting ability. The bottom line is that this legislation is being brought in to give a political and electoral advantage to the government of the day.

This is a very serious matter. If you have a cursory look at what has transpired in New South Wales you will see that only 64 per cent of the so-called automatic enrollees turned out to vote and, when the Australian Electoral Commission contacted those people who were transferred, only 20 per cent of them had bothered to enrol on the federal roll. That is an 80 per cent failure rate and a nearly 40 per cent failure rate evidenced in New South Wales.

No evidence put forward by the Electoral Commission shows any attempt to properly examine those numbers in order to put out a warning signal that this is bad legislation and bad for the electoral roll. We will have the opportunity later this week to debate these two bills—it will be a cognate debate—but I think it is very important to say that the coalition believes that referring these bills to JSCEM for its consideration is an important part of our scrutiny process. The bottom line is that the evidence, or lack of it, from the Electoral Commission to substantiate their agreement with Labor and the Greens in bringing about a change—which Labor and the Greens believe will be to their advantage—is no reason to put at risk the integrity of the roll. I am perpetually disappointed that the Australian Electoral Commission seems to be in lockstep with Labor and the Greens.

**The DEPUTY SPEAKER (Hon. BC Scott):** In accordance with standing order 39(d), the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting.

**MOTIONS**

**Renewable Energy Amendment Regulations Disallowance**

Debate resumed on the motion:

That the Renewable Energy (Electricity) Amendment Regulations 2011 (No. 5), as contained in the Select Legislative Instrument 2011 No. 222, and made under the Renewable Energy (Electricity) Act 2000, be disallowed.

**Mr JOHN COBB** (Calare) (16:32): If ever there was a time and a reason to have a disallowance motion, this is it. It defies belief for a government to turn its back on its own policy—its own mantra for dealing with renewables and reducing emissions—and allow the Greens to sit on the government and come up with an amendment to the Renewable Energy (Electricity) Act which defies common sense and sends the worst possible message to industries everywhere.
This amendment to the act means that a thoroughly efficient, thoroughly renewable industry is being denied the opportunity to make use of its waste. This amendment to the act defies common sense. Why, in heaven's name, would a government want to spit on itself in this way? Obviously it is because of the Greens, who have never let a job, particularly a job in regional Australia, get in the way of ruining an industry. They have never done that and they are certainly running true to form today.

I, and the coalition, thoroughly support this motion. This amendment defies common sense and imagination. In my own electorate there is a forestry industry—it is not native, but it is a huge plantation forestry industry—so what kind of message does it send to that industry? The current act does not allow the harvesting of old-growth forests, or anything else for that matter, to be used for this renewable purpose. It can only be done with the waste product of normal harvesting. I cannot stress enough that if common sense is a measure, then it has gone out the window with this amendment. I do not care what electorate you are in. There would be more electorates in Tasmania that are going to suffer than anywhere else.

If we want people living in the regions at all, we certainly do not want a government run by the Greens. As I said earlier, the Greens have never let a job, particularly a job in regional Australia, stand in the way of destroying an industry. That is their sole purpose with this amendment. This amendment is designed to make a legal industry, acting in accordance with all the laws, regulations and forestry agreements, less profitable in the eyes of the Greens so there will be no industry at all. I do not know if it ever crossed the minds of any of the Greens to get out into regional Australia and see how important the forestry industry is there. I talk about my own electorate in this—I cannot help it, because we are full of renewables, whether agriculture, the plantation industry, the forestry industry or whatever. What kind of a message does it send to anyone in regional Australia when a government walks away from its own policy on renewables and walks away from the whole reason that it is bringing in a carbon tax, supposedly? That they are willing to put this amendment up underlines the fact that the whole carbon tax is a charade. Why in heaven's name would you put up a tax which you are saying is to reduce emissions and then turn around and move an amendment to a current act which will negate the ability to have renewables? I guess only this government would know, but certainly the Greens know.

I just hope that the mover of this motion has the backing of his fellow Independents. As to the member for New England, for example, I can tell you that 90 per cent of his constituents would find the lack of common sense in this amendment to the act to be totally reprehensible. I can tell you that they would in most of our electorates. If the Australian people fully realised what this amendment did, in terms of totally letting common sense go out of the window, to simply give the Greens a win, to try and destroy an industry, then I wonder what they would say. And I hope that, if anyone does vote for this amendment and against the motion, they have got the guts to go back to their electorate and say, 'I failed you, but I did it to stop the government losing an act.'

Mr COMBET (Charlton—Minister for Industry and Innovation and Minister for Climate Change and Energy Efficiency) (16:38): This of course is a debate concerning a motion moved by the member for Lyne to disallow the Renewable Energy (Electricity) Amendment Regulations 2011 (No. 5). The government opposes the motion to disallow those regulations. The
government and I, in my role as minister, have high regard for the member for Lyne and we have worked very closely with him in relation to the clean energy package that was announced in July last year. However, this is one area where we do take a different approach from the member for Lyne’s to this specific issue. In implementing its plans for a clean energy future announced on 10 July last year, the government recognised the importance of ensuring that all of the elements of the plan work together to maximise the combined benefits for our society, our economy and our environment.

We had enormously wide-ranging discussions in the Multi-Party Climate Change Committee over an extended period of time looking at all issues: emissions reductions in our economy, the nature of the renewable energy technologies that are deployed, the operation of renewable energy legislation and regulations in our economy and the incentives that they give, and a whole host of other matters. The regulation that is before the House that is the subject of the disallowance motion by the member for Lyne was a product of all of those considerations. So I emphasise that the government looks at this regulation as part of the overall clean energy package and the way in which the entirety of the package comes to operate. With that in mind, the government is determined to provide support for bioenergy investment while, at the same time, ensuring that native forests are afforded appropriate protection. It is very important when you look at the overall policy settings to try and get that balance right.

A carbon price will encourage the use of woody biomass as an energy source because the combustion of biomass for electricity generation or heat energy will not attract any liability under the carbon price mechanism. Therefore, generators that use biomass, including wood wastes from native forests, will become more cost-competitive relative to generators that use fossil fuels, which will be subject to the carbon price. Of course, this is part of the entire concept of carbon pricing: it is to put a market signal into the economy with respect to the combustion of and emissions from fossil fuels, such that there is a change in the relative position of different fuel sources and energy sources in our economy. That market signal is intended to direct investment towards lower emissions fuel sources, and we believe this regulation sits squarely within that context.

The carbon price will drive a fundamental transformation of our energy sector, with Treasury modelling estimating $100 billion worth of investment in renewable energy in the period to 2050—$100 billion worth. In the government's Clean Energy Future plan, the forestry industry also bears no liability for logging and liquid fuel emissions from forestry operations because they are not covered.

There are also some potential opportunities for the industry in relation to the Carbon Farming Initiative. Indeed, at the recent United Nations Framework Convention on Climate Change negotiations dealing with the treatment of forest management, several months ago in South Africa, the international accounting rules were on a pathway to be altered in a way that would strengthen the incentives for opportunities under the Carbon Farming Initiative with respect to forest management.

Also, as part of our clean energy future plan, and giving effect to the agreement reached within the Multi-Party Climate Change Committee, the government has amended the Renewable Energy Target regulations to exclude biomass—a subject of this debate, obviously—from native forests as an eligible renewable energy resource. This exclusion encompasses, to be clear,
products, by-products and waste associated with or produced from clearing or harvesting of native forests. Native forests are important for biodiversity and store large amounts of carbon. Excluding electricity that is generated from native forest biomass from eligibility under the Renewable Energy Target scheme removes the potential for the Renewable Energy Target scheme to provide an incentive for the additional burning of native forest biomass for bioenergy, even where this burning is a secondary use. In the context of the benefits of bioenergy from the carbon price, the additional incentive from the renewable energy target could increase both the primary and the secondary purpose use of native forest wood, which could lead to unintended outcomes for biodiversity and the destruction of intact carbon stores.

The government recognises, of course, that investments may have been made in the past on the basis of the renewable energy target rules which previously did allow the eligibility of wood waste derived from native forests and has put in place transitional arrangements to preserve the previous rules for existing power stations that are already accredited to use native forest biomass as an energy source. In doing so, my department has consulted very extensively with industry to get those transitional arrangements right. To make that clear again: those power stations accredited for the use of this material under the Renewable Energy Target scheme have transitional arrangements put in place that continue to allow them to earn benefit from the investments they have historically made. The explanatory memoranda I published as minister in relation to these particular regulations contain, in regulation No. 4, in detail, those transitional arrangements. They are very important in respect of a number of the accredited generators under this scheme, and that is a very important point to note in the context of some of the contributions that have been made.

It is also important to recognise that renewable energy certificates can continue to be created from electricity generated from other wood waste and energy crops, such as oil mallee, woody weeds, agricultural wastes and wood from certain timber plantations. So there are products that can continue to generate renewable energy certificates. Nothing in relation to the regulations subject to the disallowance motion prohibits the use of biomass for the purposes for which it has been applied and has, under the standing situation, also generated renewable energy certificates. It can still be used, and incentives are changed by the carbon price coming into effect from 1 July.

While biomass derived from native forests is no longer recognised under this regulation as an eligible renewable energy source under the Renewable Energy Target scheme, those changes do not—as I made the point a moment ago—prohibit the use of this biomass for bioenergy. I would not want anyone to gain the impression from listening to the debate that that was not the case. This wood waste can continue to be used for the purposes for which it has previously applied. However, it would not, under these regulations, any longer generate renewable energy certificates. Bear in mind, once again, that there are quite important transitional arrangements put in place for generators that are accredited under the scheme.

The government considers that in its totality the clean energy future plan, including the Renewable Energy (Electricity) Amendment Regulations 2011 (No. 5) that are the subject of this debate, achieves the right balance for our nation and for renewable energy providers to continue to move towards a cleaner energy future. We
therefore do not support the motion that has been moved by the member for Lyne.

Mr CHESTER (Gippsland) (16:48): I support the motion for disallowance put forward by the member for Lyne in relation to the Renewable Energy (Electricity) Amendment Regulations 2011 (No. 5). I congratulate the member for bringing this very important motion to the attention of the House. The motion the member has put forward is in line with the coalition's forestry policy on wood biomass and renewable energy. It was stated in the lead-up to the 2010 election that an incoming coalition government would reintroduce amendments to the renewable energy legislation, allowing for wood biomass to benefit from energy incentives available to other renewable energy sources.

Our support for the motion before the House today is entirely consistent with that policy position. However, the government's position on this issue is intellectually inconsistent, politically inconsistent and also environmentally inconsistent with the government's stated objectives. There is one party that has been consistent, and that is the Greens. The Greens have been consistent in their approach to this issue, because it is consistent with the Greens approach to destroy jobs in the native hardwood timber industry throughout Australia. So that is a consistent approach. The Greens will never be satisfied until they shut down the entire native hardwood industry in this nation. So the motive of the Greens in pressuring the government to this position is well understood.

It concerns me that we have an example, once again, of this government doing the bidding of the Greens at the expense of all other considerations. As I just said, the position being taken by the government in this is intellectually, politically and environmentally inconsistent with its objectives. It concerns me that we have got to the stage where we have Labor members opposite not prepared to stand up for the blue-collar workers in the timber industry that they pretend to represent in this place. It should not surprise me, though, because we have at least 40 members opposite who rely on preferences from the Greens to get themselves re-elected. So while this may not necessarily be an issue for some of the metropolitan members of this place, it is certainly an issue for many of the regional members and it should be an issue for every one of the Labor Party members who pretend to represent blue-collar workers in this place—and I am talking about members right throughout Victoria, New South Wales, Tasmania and of course Western Australia.

I am concerned that the government's amendment and the source of the disallowance motion by the member for Lyne is clearly discriminatory to the native-forest-harvesting industry. It seeks to omit any biomass derived from native forests, be they privately or publicly held, from being eligible for renewable energy credits under the Renewable Energy Target scheme. I think the member for Calare belled the cat quite well in his presentation earlier today when he referred to the lack of common sense in the government's position, because this amendment put forward by the government simply provides an opportunity for the Greens to claim another victory over the Australian Labor Party. It is deliberately designed to harm the native hardwood timber industry at a time when that industry is facing many other challenges. I simply cannot find a rational reason for the government's approach.

I know the Minister for Climate Change and Energy Efficiency just tried to explain the government's position. I would have to suggest to the minister, in his presence, that...
his heart really was not in it. He tried to
justify the exclusion of biomass from the
native forest industry for renewable energy
certificates. I listened intently, but I am not
sure it was the most passionate defence of a
government policy that I have ever heard
from the minister.

Government members interjecting—

Mr CHESTER: It may be harsh, but it is
ture. In his heart, he knows that this
amendment is simply indefensible, both from
the perspective of his so-called clean energy
package and from the perspective of a person
who I generally believe cares about blue-
collar workers and the future of the timber
industry. I just could not get a sense that
anything he said indicated that he was
particularly passionate about the position his
government was forcing him to adopt.

My concern is that some members are not
listening to the debate as closely as they
should on this particular issue and that the
House does not quite realise that the use of
biomass as a by-product from the native
forestry industry is part of the economic
model for the future viability of the timber
industry. That is not to say that anyone is
going out there suggesting—sorry, the
Greens are going out there suggesting that
people will go out and cut down trees for the sake of
the biomass industry. The renewable energy
certificates that were attached to the previous
position of the clean energy package would
assist in adding to the previous
position of the clean energy package would
assist in adding to the viability of the
industry.

There is a classic example in my
electorate with the timber mill in Heyfield. I
do not have the exact figures—I am going
from memory but I am pretty close to the
mark. It processes about 150,000 cubic
metres of regrowth ash from Victorian
forests per year. It is a very big timber mill
and is a viable operation on a world scale at
150,000 cubic metres. All its sawlogs are
certified under the Australian forestry
standard. There is a whole range of
international and national standards that it
meets. There are about 200 direct employees
at the Heyfield mill. Sixty per cent of
Heyfield's output of high-value hardwood is
sold to Melbourne, to customers employing
about 22,000 people. This is a very
impressive operation at Heyfield.

In addition to that high-value end of the
operation, where it is selling a range of
products into European markets and into
Melbourne, it also has the capacity to
generate enough sawdust to provide eight
megawatts per annum in its power station at
the site. It has the capacity to do it, but it has
not proceeded with this plan in the past
because the running costs and depreciation
associated with the electricity generation
would result in a cost of 19c per kilowatt
hour. The renewable energy certificates
would return approximately 4c per kilowatt
hour, making the price of electricity 15c per
kilowatt hour. At this stage, Heyfield is
currently purchasing its brown coal power
for about 8c per kilowatt hour. Currently, only one-third of the sawdust is used for heat and steam generation to kiln-dry the timber and the remaining two-thirds is sold to the potting mix market. There is an opportunity here, and I have provided a classic example at a very local level in my electorate, to help ensure the future viability of that operation—as I said, this is not going to be the only reason the Heyfield mill keeps going—if it is in a position to access the renewable energy certificates and go down this path. For the government to exclude this obvious form of renewable energy is, I think, ridiculous.

Government members interjecting—

Mr CHESTER: No, I did not suggest that the minister himself is ridiculous; I suggested that the government's position is ridiculous. I have said it is intellectually inconsistent with his government's own position on a whole range of other areas. It is clear to me that this is not about a climate change agenda but about fulfilling the Greens agenda for the native hardwood timber industry. With the waste classified as renewable energy, a business like the Heyfield timber mill can then compete more readily with exports. Without the change, business costs at this particular mill will be driven higher and the mill may then put itself in a position which is unsustainable.

I put it to the House that this is exactly what the Greens party wants out of this legislation. The Greens' political agenda is to shut down the native hardwood timber industry. I congratulate the member for Lyne for highlighting the inconsistency in the government's approach by bringing this motion of disallowance before the House because he raises a very important point. I am disappointed that there are not more members from regional parts of Australia from the Labor Party prepared to come in here and debate their case. They should come into this place and explain to me how the timber workers in their electorates will support them in this decision, because I am afraid that they will not. The timber workers I have met with want to remain viable in the industry into the future. I am very disappointed that members opposite are not prepared to come in here and defend their position. What we have seen is a very half-hearted attempt by the minister to defend their position, when I think in his heart of hearts he would prefer to be going down the path that the member for Lyne wishes to take the parliament here today.

In making that point, I encourage all of the crossbenchers to support the member for Lyne in his position, just as the coalition is supporting him in his position. I particularly encourage the member for New England because I believe he is a man who does understand an industry like the timber industry and how its future viability can hang by a thread. If we are going down this path, where the government is going to exclude them from a clear opportunity to be viable in the future, it would be disappointing if the member for New England were not to support his colleague the member for Lyne on this issue.

In the time I have left, I reflect briefly on a couple of points. The member for Lyne referred in his contribution to the current trade deficit in wood and paper products of about $2 billion per year. This is another example where, if we come into this place and are prepared to pass legislation, regulations or whatever it might be that discriminates against the native hardwood timber industry, we need to understand the downstream ramifications of doing that. We currently have in this country a deficit of about $2 billion in terms of the wood and paper products we bring in. There is legislation before the House now on whether we are going to take a stronger line in regard
to products from illegal harvesting of timber in other nations. The point I am trying to make is that we have a sustainable hardwood timber industry in this nation which is heavily regulated, yet at the same time we are making it more difficult for that industry to compete with imported products.

This motion put forward by the member for Lyne and supported by the coalition will perhaps make it fractionally easier in the future for the hardwood timber industry in this nation to compete with these imported products from timber which is not necessarily harvested to anywhere near the same level of certification as our own timber industry is on a daily basis. Our industry already faces many challenges: resource security; cheap imported products; illegally harvested timber that I have just referred to; the carbon tax, which I believe will make it less competitive; and an extreme green element in the community pursuing policies like this which are completely inconsistent with the future interests of our community.

In the time I have left I want to mention a letter that the member for Lyne thoughtfully distributed to all members. In that letter he attached a document signed by 49 recognised forestry scientists and leading forestry practitioners. I know that members receive a lot of correspondence but, in a free plug to the member for Lyne, if you can find in your files this letter with the document signed by 49 forestry scientists, dig it out. Do yourself a favour, as Molly Meldrum would say, and get the letter out and actually read what they have to say, because this letter is probably one of the most compelling bits of evidence that you will see in this place for some time.

Mr Hunt: Careful!

Mr CHESTER: No. I say that with all sincerity because I think it strongly makes the case, in a very succinct way, for members who perhaps are not necessarily that familiar with the hardwood timber industry. It explains what is at stake here. So I congratulate the member for Lyne for moving this motion for disallowance. I condemn the Australian Greens party in particular for continuing to pursue this great myth that in Australia we are down to our last tree and that the chainsaws are out to get that as well. We have a very sustainable hardwood timber industry in this nation. It is worth fighting for, and I congratulate members on this side of the House who are prepared to stand up and fight for the timber industry today. What concerns me about the Australian Greens is that that party can only survive when they are fighting to save something. As soon as they save one coupe in my electorate you will have a spokesperson for the environmental movement out there saying, 'That's a good start but now we need something else.' They are never satisfied. The Australian Greens are never satisfied because they survive as a protest party that have to be saving something.

When it comes to the Australian timber industry, it is time for all members who care about the future of blue-collar workers and regional communities to say, 'Enough is enough.' We have an extensive reserve network in this nation and we have a sustainable hardwood timber industry that is worth fighting for. So I encourage those members opposite to support the member for Lyne and, in particular, I encourage members of the crossbenches to support their colleague in this motion for disallowance. Do the right thing by the Australian timber industry and, most importantly, do the right thing by the Australian timber industry workers and their families who depend on this place and the members in this place to finally stand up for workers and give regional communities a chance.
Mr BANDT (Melbourne) (17:03): I accept the comments made by the member for Lyne earlier that this disallowance motion arose from members and employers in his electorate approaching him with a situation where perhaps there was a small amount of waste associated with their operations that they thought could be turned into renewable energy. But this is much bigger than that. This is a regulation that will not apply simply to the odd employer in the electorate of the member for Lyne; it will apply right across the country. It goes to the heart of the economics of chopping down trees and burning them and counting that as renewable energy.

Firstly, there is nothing stopping the business in the electorate of the member for Lyne, or businesses anywhere else, from putting that material, if it is genuine waste material, to a use that generates energy, but they should not be paid for it. That is fundamentally the question. To quote Judith Ajani, the point about the economics of this that is overlooked in all the contributions we have heard so far is that ‘sawn timber stopped driving Australia’s native forest logging in the 1980s and woodchip exports are no longer driving native forest logging’. We have a situation where the export market for woodchips is collapsing. As I said, for hardwood we have had that general shift in the whole economics of the industry away from native forests to plantations.

The only way we could continue the perverse action of burning our native forests and counting that as renewable energy is if people are given a perverse subsidy, and that is what the motion by the member for Lyne would do. It would enable these operators and any other operator who wants to enter the market, and I will come to that shortly, to get paid for what is fundamentally an environmentally and economically unsustainable industry. We are at the point where those two are converging. It has been recognised that this is environmentally and economically unsustainable. Of course, the people who want to make money out of burning down forests and counting it as renewable energy are looking for a lifeline. This motion gives them that lifeline and that is why they are lining up behind it, together with the opposition.

It will be possible for up to 50 per cent of the value of a project to be counted as renewable energy if this regulation is not allowed to stand. It is important to focus on and tackle the myth that it is somehow about some small proportion of waste product. I have heard the member for Lyne and others say that the high-value rules will address that. That is economically simply not the case. It is very possible to have the vast majority of an operation going into pulp or chips to be burnt for waste, to have the vast majority by volume, and still have the majority of value being done through the high value, through the hardwood. For example, the point that the Australian Forest and Climate Alliance make in the letter that they have circulated is that in East Gippsland pulp logs are sold for a royalty as low as 11c a tonne with the top quality regrowth pulp logs being sold for about $2.50. With that value in balance it is very easy to still have a majority of value at the high end, as the member for Lyne puts it, but the majority of the volume would still come from cutting down forests and burning them for renewable energy. That is what this regulation will stop.

It is not only a perverse economic incentive but a perverse environmental incentive, because we will be burning what are recognised as some of the world’s most carbon dense forests. That is why some have been led to speculate that this could in fact increase greenhouse gas emissions. As we know—and this is happening in Tasmania
and would be allowed to continue to happen if this regulation is not allowed to stand—when you burn high quality carbon stores and carbon dense stores like our native forests it takes a long time to replace that. That is why the plan that this regulation seeks to forestall has been described by Andrew Mackintosh, the Associate Director of the ANU Centre for Climate Law and Policy, as 'Pythonesque'. He says that it is climate policy plan that is incapable of lowering emissions but that could increase them, that will result in no net gain in the amount of renewable electricity generated and that will cost taxpayers millions per year.

We know that there are people waiting to get a subsidy to burn large parts of the Tasmanian forests and count that as renewable energy. We know that because the letter that was referred to by the member for Gippsland is one of the most astounding pieces of evidence to ever have been put before the parliament. It is co-signed by a number of people, including some from the Forest Industries Association of Tasmania. Of course they want this. They are going to get an economic benefit out of it. But we know that it is not going to impact just Tasmania. We know that in Western Australia, as reported in the *Australian* last week, some Karri trees—Western Australia's tallest and among the world's tallest—are already classified as forest waste and turned into woodchips for a market that no longer wants them. Instead of saying that this is madness and that is a market that should be phased out, this motion will give that industry a lifeline and allow those Karri trees to continue to be burned.

It is simple economics. If you give people a subsidy for something, you will create an industry around it. While I accept that the member for Lyne is acting on the basis of people within his electorate coming to him, there are people right across this country who are rubbing their hands at the prospect of another subsidy, because it will make projects viable that would otherwise have been unviable because the economics and the environment were heading in the same direction. We should not allow the continued logging of high conservation value forest. We should not allow threats to habitats of native species. We should not further undermine biodiversity in areas that are already under stress.

One point that is also critical for me is that, as the minister referred to, this was something in the Clean Energy Future package, which came out of the Multi-Party Climate Change Committee. It is on page 129 of the document. It says:

The Renewable Energy Target regulations will be amended to exclude biomass from native forest as an eligible renewable energy resource. This includes products, by-products and waste associated with or produced from clearing or harvesting of native forests, subject to appropriate transitional arrangements for existing accredited power stations.

It was there in the deal. We had some talk before about respecting the work of parliamentary committees. That parliamentary committee did some outstanding work. People with differing points of view found a consensus. There are things in that document that if I personally was writing the package would not have agreed to. I would not have agreed to extensive sandbagging of polluting industries. We had a different view on petrol. But the Greens have not come back in here and said, 'We didn't like that bit of the deal, so we're now going to seek to carve bits out.'

That is an important principle in this parliament, where we all often come to agreements that are not exactly as we would like but that arise out of people with differing points of view talking and agreeing
on what is common. When we do that, we should stick with it. That is why I cannot support the motion of the member for Lyne.

Mr HUNT (Flinders) (17:12): It gives me great pleasure to support the disallowance motion moved by the member for Lyne. I do so for three reasons. Firstly, because this motion moved by the member for Lyne is about avoiding perverse effects. There has been much discussion about perverse effects but there are some very basic facts for those who care about emissions and the level of greenhouse emissions arising from Australia's economic activity to consider here. Secondly, there is deep, strong, credible and widespread support for the disallowance of this motion from those who care about our overall emissions level and those who care about the sustainable operation of an industry that has widespread support around Australia. Thirdly, this motion is also about electricity prices and ensuring that we do our best to reduce the average electricity price paid around Australia. For all of those reasons, the coalition and I in particular strongly support the continued use of woody biomass, where it is in waste form, as part of the Renewable Energy Target and as a source of credits for renewable energy credits.

Let me begin with the issue of perverse effects. Much has been made in this debate of the letter to the member for Lyne from the 49 recognised forestry scientists and leading forest practitioners. I want to quote one element. I note that the signatories represent universities from around the country, including Murdoch University, the University of Melbourne and many others, including many of the highest quality institutions in the country. It is not a group which would be assumed naturally to support one side or the other of parliament. It is a group to which enormous weight must be given. In my judgement, the key phrase in the letter, relating to the perverse effects of not using wood waste from the harvesting of native forests, is: 'When not used for biomass fuel, processing residues are often distributed on landscapes or buried and burnt near mills where, like harvest residues left on the landscape, they decompose to greenhouse gases without any greenhouse gas mitigation benefit. This misses the opportunity to provide energy for society, increasing our dependence on alternative energy sources, including fossil fuels, or more expensive renewable energy sources.' Within that one paragraph are two critical facts: firstly, much of this woody biomass or wood waste—I use the term 'wood waste' deliberately—is allowed to decompose by being turned into landfill, which in turn decomposes, not just to methane, but to other gases with high greenhouse potential. The net effect of not allowing the current practice to continue is that global emissions and Australia's emissions will go up, because a waste product is allowed to decompose instead of being utilised—and we have not even got to the economics of it. There is no offset, no mitigation and no avoidance of emissions; it adds to emissions. This, by the way, is one of the reasons that the use of woody biomass is fundamental to renewable energy programs right across Europe.

It is also clear, both from practice and from the work of the 49 foresters, that if it is not sent to landfill this waste wood would be burnt as a by-product, being treated and disposed of, to no electrical or societal benefit. Again, there would be a high level of emissions but no benefit from avoided emissions from other activities. In that respect, we see here a clearly perverse effect in relation to Australia's overall emissions and global overall emissions. That is not my evidence; that is the evidence of 49 independent scientists from around the country, including some of the most pre-
eminent forest and carbon scientists in Australia, if not the Southern Hemisphere. It has been the position of both sides of parliament until now that using wood waste was a desired outcome, because it avoids the problem of landfill and therefore avoids the perverse effect of emissions being generated with no positive benefit. But let us look at support, firstly, for industry. The 1,200 members of the Institute of Foresters of Australia, the IFA, an organisation committed to sustainable forest management, support the use of native forest residues for energy regeneration. These are residues; they are waste. They are things that would otherwise give off emissions if they were not used properly. Secondly, as has been noted, 49 eminent Australian forest scientists have provided their weight in supporting the continued use of native forest residues through the renewable energy target, which was a bipartisan position until July of last year. Thirdly, the members of the government's own committee that supported Seeing the Forest Through the Trees, the report of the House of Representatives Standing Committee on Agriculture, Resources, Fisheries and Forestry, all agreed. Those committee members were the member for Lyons, who was the chair, the member for Bass, the member for Corangamite and the member for McEwen. They all supported the continued use of native forest waste or residue as a component for generating renewable energy credits under the renewable energy target. Those four government members of the committee concluded, on the same day this change of regulation was introduced by the government, that the regulation was not justified. If there could be a greater humiliation for the government than there has been on this policy issue, it is hard to imagine. The government's own members, who were specifically tasked to inquire in detail did not believe it. They did not believe their minister. They did not believe all those who would push this view. It is a simple test for those members: do you stand for your beliefs and findings and will you vote against the decision of the government to ban the very thing that you said was desirable?

Multiple environment groups around the world have supported the use of biomass waste and woody biomass residue. The World Wildlife Fund in concert with the European Biomass Association has called for 15 per cent of energy generation in OECD countries to be generated from the use of biomass by 2020. This is not a modest figure; this makes what occurs in Australia seem almost irrelevant. It goes further. When you look right across the European landscape, you see something even larger. The Intergovernmental Panel on Climate Change stated in its Fourth Assessment Report in 2007: In the long term, a sustainable forest management strategy aimed at maintaining or increasing forest carbon stocks, while producing an annual sustained yield of timber, fibre or energy from the forest— and I underline energy—will generate the largest sustained mitigation benefit.

To complete the package, the Clean Energy Council in Australia has said: [It] believes the exclusion of native forest biomass as an eligible renewable energy resource under the RET is an example of the lack of understanding and support needed to harness the full potential of bioenergy resources in Australia. Wherever you go in Europe you will see biomass used—for example, Belgium's target for 2020 is 13 per cent; biomass contributes one-third of that. The EU 'counts on heat and power from biomass to play a critical role in meeting its "202020" targets'. That is, 20 per cent by 2020. So there we go. That is the view around the world, whether it is in
science, in industry, or in the ALP in this country. Up until a few short months ago, and even now, its four leading members in this space all supported the continued practice of using waste rather than burning waste or pushing it into landfill where it will produce methane with a greenhouse warming potential of over 20 times that of CO2. If you head to Europe and the IPCC you will see that the support for this practice could not be stronger.

When it is clear that there is a perverse effect and that there is overwhelming support, the last reason is a very simple one. It is about lower electricity prices. What this motion is really about at its heart of hearts is that it was designed, firstly, to do its best to help destroy an industry—and there are many members on both sides of this chamber who understand that. But even more so it says, 'We know that there are forms of renewable energy which are too high a cost to be justified if wood residue is able to go in there; therefore, we want to drive up the average cost of electricity to try to get to those highest cost forms of renewable energy.'

I have supported, believed in, committed to and engaged in helping to push through—I even negotiated with the current minister, and I thank him for that—the 20 per cent renewable energy target. There are those who are critical of it; I am guilty as sin of supporting it. But it was not about finding the highest cost for renewable energy; it was about finding the lowest cost for renewable energy. If we are moving into that space, we need to do it on the lowest cost basis. I think every member of this House knows this motion of the government's which has sought to be disallowed by the work of the member for Lyne is going to drive up electricity prices rather than drive them down. For that they should be condemned. For all of those reasons, it gives me great pleasure to support with every fibre of my being the disallowance motion of the member for Lyne.

Mr WINDSOR (New England) (17:24): I will speak only briefly to the motion before the House. I agree with the general substance of what the member for Lyne has suggested and I have listened with interest to other members in the House. I agree with the substance of what has been said by those who are going to support this. If it were in another form, I would be voting for it.

The reason that I am not supporting the member for Lyne's disallowance motion is that I feel compelled to support the Multi-Party Climate Change Committee agreement from whence this regulation has come. It is on those grounds that I cannot support it. I feel that I made an agreement. I heard from my office the member for Melbourne speak some moments ago. There are parts of that agreement that he disagrees with, there are parts that I disagree with, and I am sure there are parts that the minister at the table disagrees with on a personal level. But it was an agreement that was reached for the longer term benefit of what we believe our community requires through the various arrangements in the clean energy suite of legislation.

So even though I do not disagree with what the member for Lyne is saying, I find that because of the Multi-Party Climate Change Committee agreement I am unable to support his motion. If it were introduced in another form—and a few members have mentioned the parliamentary committee that has looked at this—I would look very seriously at supporting it. But, as I said, I cannot support the disallowance of the regulation which was part of the agreement that was reached.

Mr TEHAN (Wannon) (17:27): I must say that I am disappointed that the member
for New England cannot support this disallowance motion because I think that it is very much in the national interest. Because we still have issues with what the carbon tax will do to the dairy industry and the meat industry, I would have hoped that the Independents would have been doing all they could to ensure especially rural and regional Australia are not severely disadvantaged by these bills. I would have thought that there would have been the ability for the member for New England to support the member for Lyne on this motion, because I feel it is going to be extremely difficult for the committee to do anything.

The committee, of which I was a member, produced the report Seeing the forest through the trees: inquiry into the future of the Australian forestry industry. As a new member of parliament, this is really the first committee report that I have been involved in. In many ways it was incredibly refreshing because the bipartisan way the members of the committee went about producing this report was something that should be commended. It shows that all members can work together to achieve a report that everybody agrees on. I take this opportunity to commend the chair, Dick Adams, for the fine job he did in chairing the committee while we went about this report, the deputy chair, Alby Schultz, and the member for Corangamite, Mr Cheeseman. We also had a member from Tasmania in Geoff Lyons. We also had George Christensen, Rob Mitchell, Tony Crook and me. We did a lot of work. We visited a lot of places. We also took evidence here in Canberra from a lot of people. One of the things that struck me throughout the hearings was that those on all sides were prepared to ask questions on all types of evidence, and we were then able to bring that all together and agree on recommendations. We covered diverse issues in this report, including managed investment schemes. I would recommend that all members of the House look at the committee's recommendations on managed investment schemes, because I think they show a very good way forward.

I think everyone on the committee was struck by the evidence we received on the use of forestry biomass. I am pretty sure that we took that evidence on a Wednesday afternoon, when constituents of the member for Lyne and members of the forestry industry appeared before us. We asked about what would happen with the off-cuts from native timber, given that the approach seemed to be that those off-cuts would not be able to be used for biomass. We were told that the majority of it would be put into landfill and that, over time, as it decays, it lets off nitrous oxide. Nitrous oxide is one of the most harmful CO₂ gases. Here we were, looking at a piece of legislation that is meant to reduce CO₂ emissions, yet by its very nature it was actually going to increase it.

Mr Windsor interjecting—

Mr TEHAN: That is the evidence that we heard. I would be happy to provide that evidence to the member for New England. We were all struck by the absurdity of what will occur unless we can get the parliament to agree to this disallowance motion.

I recommend that honourable members and anyone who has an interest in this matter look at this report, Seeing the forest through the trees, particularly chapter 7, which addresses using forestry biomass. It is quite a detailed chapter and it outlines the type of evidence that we heard. For instance, the Department of Agriculture, Fisheries and Forestry told us:

Biofuels and bioenergy can play an important role in expanding the range of renewable energy sources available in Australia. Australian state and territory governments have adopted comprehensive frameworks to ensure that environmentally responsible forest management
practices underpin the use of wood residues for bioenergy.

So there are good practices in place. We also heard from Bioenergy Australia, who said: During the energy recovery process, the carbon dioxide bound in the biomass is released to the atmosphere. Bioenergy is regarded as renewable, when the biomass resource consumed in the energy conversion process is replenished by the growth of an equivalent amount of biomass. Under the Kyoto Protocol bioenergy is regarded as carbon dioxide neutral.

The Institute of Foresters of Australia on cogeneration stated:

With most mills lucky to recover 40% of log volume, generating power using mill residue as a fuel source creates two economic solutions to what would otherwise be expenses. An expensive aspect of processing in the softwood industry is seasoning and drying, using kilns. The heat generated in cogeneration can be used to drive seasoning plants while augmenting power supplies.

We also visited my electorate and met with Mr Andrew Lang of SMARTimbers Cooperative in Lismore. Andrew is very much an expert in this area and is leading the way. He was able to give us a small demonstration of how native timber can be used to generate renewable energy. He told us what occurs in northern Europe:

The pattern in the Scandinavian countries is to use the heat energy for district heating (and for district cooling in summer). In Brazil and India the heat energy is commonly used by the generating industry, as well as some of the electricity.

So it is common practice in particular in Europe and it is a growing practice in India and Brazil. Other countries in the world are using this source of renewable energy, so it seems absurd and ridiculous that we would not do the same.

Australian Forest Growers suggested that funding be made available for:

... research, development and extension into biofuel, bioenergy and Biochar technology, including upscaling the technology to a commercial scale. This upscaling must include options for regionally based utilisation of biomass at sufficient scale to be economically viable yet small enough to be effectively utilised locally.

They would like to see more funding put into this area, because they see enormous long-term benefits in it. So it is not just a matter of renewable energy credits being available; if we can get the technology right we can use it a lot more, particularly in regional areas, because it can be done on such a scale that regional areas can capitalise on it.

As outlined in its report, the committee believes that bioenergy from the forestry industry presents a promising opportunity. The report states:

Using the principle of cogeneration, it is also possible to ensure that as much energy as possible is captured and used from the use of biomass.

... ...

As noted above, there remains a significant amount of work to be done by the industry, in order to identify the barriers to expansion of bioenergy, and to ensure that a secure fuel supply is maintained.

The report further states:

As for the question of native forest waste products being used to produce energy, the Committee is aware that recent policy change is yet to be fully implemented.

We were not quite sure which way the government would end up going on this issue. The committee then recommended that it was of the view that:

... under any version of the RET (or similar scheme), bioenergy sourced from native forest biomass should continue to qualify as renewable energy, where it is a true waste product and does not become a driver for harvesting for native forests.

All sides of the committee, once again, were of the view that:
… under any version of the RET (or similar scheme), bioenergy sourced from native forest biomass should continue to qualify as renewable energy …

That is the bipartisan report's recommendation and is spelled out in particular in recommendations 15 and 16 of the report. I ask all members to look at those recommendations.

I wish that the member for New England could be right in that there would be a way, other than this disallowance motion, for this to be brought into the parliament. The sad thing is that I cannot see a way forward. My view is that all members of this committee put these recommendations on the table and this was as far as all members could go. The hope was that this would lead to a very sensible approach and, in particular, might support the member for Lyne in bringing forward this disallowance motion. So, if there is another way forward, we on this side would like to hear about it and I think the committee would love to hear about it. My worry is that politics will get in the way and that we will not be able to achieve what will be a very sensible outcome.

I do not always agree with the member for Lyne and I do not always agree with the member for New England but on this issue it would be very good if they could put their heads together and come up with a way where we could ensure that common sense did prevail, because at the moment it is not going to prevail. There are a lot of people especially in rural and regional areas who are looking at this as a way forward. It enables those people who like to put plantations on their agricultural land to use the wood waste from those so that it adds to the income of family farmers. If the member for New England would like to talk to Andrew Lang I am sure he would be glad to show him around and show him the innovative work that he is doing in this area in adding to his farm income by using this and trying to develop it as a second income to his family farm.

Mr Windsor interjecting—

Mr TEHAN: It does not make the economics add up. If he can get the RECs it does. That is the important point on this. I would like to see a common-sense way forward on this. The last thing we want to see is this timber end up in landfill. I will conclude there. I am disappointed that it looks like we will not get a common-sense outcome on what I think is a very sensible proposal put forward by the member for Lyne. I would like to take the time once again to commend my fellow committee members who put forward this report. It was a very good bipartisan report and I call on the government to look at the recommendations in it and to act upon them.

The SPEAKER: The question before the chair is that the motion be agreed to.

The House divided. [17:46]

(The Speaker—Hon. Peter Slipper)

Ayes ................. 72
Noes ................. 72
Majority............. 0

AYES

Abbott, AJ  Alexander, JG
Andrews, KJ  Andrews, KL
Baldwin, RC  Billson, BF
Bishop, BK  Bishop, JI
Briggs, JE  Broadbent, RE
Bachholz, S  Chester, D
Christensen, GR  Csihovszky, SM
Cobb, JK  Coulton, M (teller)
Crook, AJ  Dutton, PC
Entsch, WG  Fletcher, PW
Forrest, JA  Frydenberg, JA
Gambaro, T  Gash, J
Griggs, NL  Haase, BW
Hartsey, L  Hawke, AG
Hockey, JB  Hunt, GA
Irons, SJ  Jensen, DG
Jones, ET  Keenan, M
Kelly, C  Laming, A
Ley, SP  Macfarlane, IE
The numbers for the ayes and the noes being equal, Mr Speaker gave his casting vote with the noes.

Question negatived.

The SPEAKER: In accordance with the principle that decisions should not be taken except by a majority and the principle that legislation should be left in its original form, my casting vote is for the noes.

BILLS

Insurance Contracts Amendment Bill 2011

Report from Federation Chamber

Bill returned from Federation Chamber with amendments; certified copy of bill presented.

Ordered that this bill be considered immediately.

Federation Chamber’s amendments—

(1) Schedule 1, page 3 (after line 3), before item 1, insert:

1A  Paragraph 11(10)(a)
After “37”, insert “, 37C”.

1B  Paragraph 11(10)(c)
After “37”, insert “, 37C”.

(2) Schedule 1, item 1, page 4 (line 27), omit "The prescribed contract is taken", substitute "The flood provisions of the prescribed contract are taken".

(3) Schedule 1, item 1, page 5 (lines 3 and 4), omit "the prescribed contract is taken", substitute "those provisions are taken".
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(4) Schedule 1, item 1, page 5 (lines 7 and 8), omit "the contract", substitute "those provisions".

(5) Schedule 1, item 1, page 5 (after line 15), after subsection 37D(5), insert:

(5A) To avoid doubt, this section does not affect the operation of any provisions of a prescribed contract that are not flood provisions.

(6) Schedule 1, page 5 (after line 30), at the end of the Schedule, add:

2 Subsection 38(3)
After "37", insert ", 37C".

The SPEAKER: The question is that the amendments be agreed to.

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mr MARLES (Corio—Parliamentary Secretary for Pacific Island Affairs and Parliamentary Secretary for Foreign Affairs) (17:55): by leave
That this bill be now read a third time.

Question agreed to.

Bill read a third time.

COMMITTEES

Foreign Affairs, Defence and Trade Joint Committee

Report

Dr JENSEN (Tangney) (17:55): On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I present the committee's report entitled Defence Sub-Committee visit to the Middle East Area of Operations: report of the delegation to the MEAO 14 to 18 May 2011.

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

Dr JENSEN: by leave—On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I have pleasure in presenting the report of the committee's delegation to the Middle East Area of Operations.

However, before I speak to this report, firstly let me state how saddened I was to hear of the recent deaths of 16 Afghan civilians, including nine young children. Such loss of innocent life is tragic and unthinkable. Having met Afghan leaders during our delegation's visit, I know how close these small communities are and I express my deepest sympathies for the surviving family and village members at this time. It is my fervent wish that the actions of one person will not undermine the excellent work that has been done to date in enabling Afghan, Australian and other country personnel to work together in the interests of a positive future.

The report I table today presents the findings of the committee's delegation to the Middle East Area of Operations—also called the MEAO—which took place from 14 to 18 May 2011. The delegation consisted of Senator Mark Furner as leader, me, Ms Gai Brodtmann, the member for Canberra, and Mr Stuart Robert, the member for Fadden. We were accompanied by the committee's defence adviser, then Lieutenant-Colonel, now Colonel, Stuart Kenny, CSC.

The aim of the delegation was threefold:

- First, to demonstrate the parliament's strong bipartisan support for Australian personnel deployed on these demanding operations;
- Second, to meet with key ADF personnel, Australian government agency personnel, and key Afghan leaders in order to review the current situation in Afghanistan; and,
- Third, to enable committee members to be better positioned to review Australian defence and foreign policy.

The delegation undertook a comprehensive itinerary which enabled us to visit many of the locations where ADF and other Australian personnel are operating.
The delegation notes that, despite the demanding operational tempo faced by all Australians working in this region, we were warmly received and professionally briefed at each location.

The delegation also had the privilege of attending a Shura with local Afghan leaders and a roundtable with Afghan members of parliament. Of note, this was the first formal meeting between Afghan parliamentarians and an Australian parliamentary delegation.

The delegation concluded the visit optimistic about the prospects for the success of the mission in the MEAO, particularly in Afghanistan. The delegation observed that significant progress has been achieved for the Afghan people as a direct result of operations in this country over the past decade. I would like to mention a few concrete examples of the progress that has been achieved:

First, school enrolment has grown from 900,000 in 2002 to 7.3 million in 2009, with the percentage of girls attending school increasing from virtually nil to 37 per cent over this period;

Second, the number of teachers has increased eightfold from 2002 to 2008, and 29 per cent of teachers are now female;

Third, more than 4,480 schools have been established since 2002 and around 85 per cent of the Afghan people now have a healthcare facility in their local area. This contrasts with only 10 per cent having had a local healthcare facility in 2002;

Fourth, 1.6 million Afghans who now have access to safe drinking water and 130,000 Afghans can now access power;

Fifth, 1,231 kilometres of roads have been constructed, connecting literally hundreds of villages to district centres and markets;

Sixth, 3.7 million employment days have been provided to local skilled and unskilled Afghans during the construction of infrastructure projects; and

Seventh, the country as a whole is becoming less dependent on growing poppies, which now constitutes just five per cent of the legal economy.

Australia has been integral to these improvements, and it is essential we continue this support.

Afghan leaders have expressed concern for the future, particularly during the transition period as Australia and other countries draw down and eventually depart. The impact of this transition on the ability to continue to develop civil capacity and the progress made to date for women were identified as specific concerns by local leaders. These issues will need to be closely managed during the transition period.

Finally, I would like to note the delegation was very impressed by the dedication, pride and professionalism of the Australian personnel in the MEAO, many of whom are working in challenging environmental and social conditions.

I particularly wish to express my thanks to Mr Paul Foley, the Australian Ambassador to Afghanistan; Major General Angus Campbell AM, then the Australian National Commander in the MEAO; Colonel Andrew Maclean, then Chief of Staff, Headquarters Joint Task Force 633; Lieutenant Colonel (now Colonel) Stuart Kenny, then Defence Adviser to the Joint Standing Committee on Foreign Affairs, Defence and Trade; and the personal security detail from 2 Commando Regiment who ensured our safety during the visit.

I commend the report to the House.

I move:

That the House take note of the report.
Report and Reference to Federation Chamber

Dr JENSEN (Tangney) (18:02): by leave—I move:
That the order of the day be referred to the Federation Chamber for debate.
Question agreed to.

BILLS

Classification (Publications, Films and Computer Games) Amendment (R 18+ Computer Games) Bill 2012

Report from Federation Chamber
Bill returned from Federation Chamber without amendment; certified copy of bill presented.
Ordered that this bill be considered immediately.
Bill agreed to.

Third Reading

Ms BIRD (Cunningham—Parliamentary Secretary for Higher Education and Skills) (18:03): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Corporations Amendment (Future of Financial Advice) Bill 2011

Corporations Amendment (Further Future of Financial Advice Measures) Bill 2011

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

Mr HOCKEY (North Sydney) (18:04): For many Australians, financial advice is an essential service. As Australians increase their savings and accrue large amounts of superannuation it should be no surprise that the provision of financial advice has now become a key component of the financial services industry. The coalition recognises the role that financial advisers play in helping Australians to better manage financial risks and to maximise financial opportunities. In providing this important service, financial service providers deal with other people's money. That is why it is important to have an appropriately robust regulatory framework in place to ensure effective consumer protection and to ensure that high-quality financial services and advice remain available, accessible and affordable.

Australia has a strong record of reform in the regulation of financial services with a progressive unification and simplification of the regulation of financial products and financial service providers. This largely reflects the financial reforms of the previous coalition government when I was the financial services minister. This has allowed strong growth in the provision of financial services and products to non-professional investors such as households and small businesses. Financial services now comprise 10 per cent of Australia's gross domestic product. That is a larger contribution to the economy on an annual basis than the mining industry, manufacturing or agriculture. I have continued my interest in this area in opposition.

As part of the coalition's banking reform package launched in October 2010, I called for further simplification of my beloved Financial Services Reform Act to make the business of actually getting out and doing business easier and simpler. Unfortunately, the future of financial advice bills are not legislation that makes life for business easier and simpler. Financial advice must be affordable, simple to understand and it must put the needs of the client first. This FoFA legislation fails on all three of these metrics.
It increases cost for practitioners and clients by adding unnecessary costs and red tape. It is overly complex. This will lead to a reduction in business activity and will cost jobs. It fails to establish the strongest requirements for fiduciary duty. The government has just left too little time between this legislation and the implementation date for these changes. The legislation becomes effective on 1 July this year, a scant 3½ months away. The current implementation time frame is unrealistic, creating great uncertainty for the industry. Business will need to change processes and change software and will need to train advisers—all before business has seen the regulations.

There are also changes relating to the provision of the MySuper legislation before the parliament. This too will require changes in processes, software and training but change for that will come into effect on only 1 July 2013, a full year after FoFA. It seems odd that the government would mandate one part of the changes to commence in July 2012 with another part to commence one year later. It makes sense for these changes to occur on the same day, ideally 1 July 2013. John Brogden, head of the Financial Services Council, has said the implementation time frame is 'not realistic', particularly because industry has not seen the accompanying regulations. He fears a situation where the industry would 'know what the law says on 30 June 2012 for an implementation one minute later'.

The government should delay commencement of the FoFA legislation until 2013 to bring it into line with the government's proposed MySuper changes. This would give the government and the industry 12 months to work together on the regulations, to implement the new systems and to make personnel changes. The FoFA legislation as it stands will cost Australian jobs in the financial services industry. Since the beginning of this year there have been over 5,700 announced job losses in Australia, including many thousands of jobs lost in financial services. The $700 million initial implementation cost of the proposed changes and the $350 million cost thereafter is entirely borne by the industry. While it may be possible to subsequently pass some of this cost through to consumers, the brunt is expected to be borne by financial planners. This will cost jobs. Mr Craig Meller, Managing Director of AMP Financial Services, gave evidence of potential job losses to the parliamentary joint committee. He stated:

… the initial impact will be on financial planners and even the explanatory memorandum to the bill forecasts a halving of planner numbers in the next few years. We believe that this could lead to job losses in the industry of up to 25,000 over that period. We also fail to see how this would improve advice access.

Mr Richard Klipin, Chief Executive Officer of the Association of Financial Advisers, concurred with this assessment of job losses:

… FoFA, as it stands, will decimate the financial advice profession. Over 6,800 adviser jobs are at risk and over 30,000 jobs in total.

This seems entirely contrary to the government's budget-time promise that it will create jobs, jobs, jobs. Perhaps the Prime Minister sees these jobs as merely growing pains but I can assure her that they will be very real to the men and women who lose their jobs as a result of this legislation. Labor's opt-in provisions require Australians to resign contracts with their financial advisers every two years. This will unnecessarily add red tape, increase costs and create enormous uncertainty for clients and businesses. There is no precedent for this anywhere in the world. It would seem that the minister wants Australia to become the
world leader in financial services red tape and nothing else.

These changes were not included in the Ripoll inquiry report in 2009. The only body which proposed mandatory opt-in was the Industry Super Network run by the unions—that is, out of 407 submissions to the Ripoll inquiry only one submission, that of the Industry Super Network, called for the introduction of opt-in. The inquiry chose not to recommend this idea. It was a Labor-dominated inquiry and not even they believed that opt-in was right. Nevertheless, Minister Shorten continued with this initiative regardless of the feedback from everyone else. The Financial Ombudsman Service stated in their submission to the PJC inquiry that the complaints to the service frequently include aspects where clients have inadvertently not filled out forms. This issue will only get worse under FoFA where clients will be forced to sign more forms to continue to receive advice, rather than simply opting out when they are unhappy with the quality or level of advice. If a consumer fails to complete a renewal notice in a 30-day period, they will be left high and dry, without financial advice and without the added protection that brings. This could mean that they will not be advised of changes to the law or of opportunities or problems in their financial portfolio.

Better knowledge of the work of financial advisers is needed—not overburden but some regulations that are complex for both advisers and the clients. In our view there are already three requirements that provide appropriate consumer protection while not imposing excessive costs and red tape. The first is the requirement for advisers to act in the best interests of the client. The second is transparency around fees charged when entering into the financial advice relationship. The third is the ongoing capacity for clients to opt out of that relationship if it is, in their judgment, not delivering value.

Another aspect of the FoFA legislation which was not recommended by the Ripoll inquiry but has crept its way into the legislation is retrospective fee disclosure statements. Clients seeking financial advice already receive regular fee disclosure statements in relation to any financial product they hold. The legislation requires this currently available information to be consolidated into an additional annual fee statement provided by the financial adviser. This creates an extra regulatory burden for advisers and an extra layer of costs for clients. The Financial Services Council has estimated the implementation costs for existing clients would be $98, but for new clients it would be $54 a year. Like so many of the FoFA reforms, the government said one thing to stakeholders and then did something entirely different. The industry was led to believe the new fee disclosure statements would apply only to new, not existing, clients. The industry took the government at their word, as have the Australian people on many occasions.

The role of the opposition is to hold the government to account, and we will. The government's longstanding commitment to only prospectively apply detailed fee disclosure statements should stand. Of course, this is yet another broken promise from the Gillard government. I have long argued that financial planners should have a fiduciary obligation to act in the best interests of their clients rather than in their own interests or in the interests of a product provider. The government's own Ripoll inquiry recommended that. Recommendation 1 of the report said:

The committee recommends that the Corporations Act be amended to explicitly include a fiduciary duty for financial advisers...
operating under an AFSL, requiring them to place their clients' interests ahead of their own.

I find it strange that the government has chosen not to implement a fiduciary duty. Instead, it has opted for a far less stringent 'best interests' duty. Nevertheless, it is better than nothing. Proposed section 961B(2) sets out conditions that must be met in exercising this best interests duty. For example, an adviser must attempt to understand a client's personal circumstances. This provision makes sense; in fact, it is common sense. It is sensible to ensure financial advisers consider all of their clients' known circumstances when providing advice, and it is also sensible to ensure that the adviser has conducted a thorough investigation of the financial products that best suit the needs of the client.

However the government, obviously not satisfied with its requirements in section 961B(2), has chosen to burden the financial advice industry with a catch-all clause in proposed section 961B(2)(g), which states that an adviser must have:

… taken any other step that would reasonably be regarded as being in the best interests of the client, given the client's relevant circumstances.

Since these 'other steps' are not specified, financial advisers, and everyone else, can have no comfort as to whether they have complied with their best interests duty or not. This just creates more uncertainty, and it will lead to more litigation, have no doubt about it, Mr Deputy Speaker. The coalition proposes to remove section 961B(2)(g) but to retain the rest of 961B(2). This will retain the best interests duty and create certainty for those attempting to comply with this legislation.

The coalition's next concern is with the definition of 'conflicted remuneration structures'. We believe that it is too broad and ambiguous and that it will create uncertainty among industry and clients. Let me be very clear: the coalition supports the banning of conflicted remuneration structures; however, much has already been done voluntarily by the industry to reduce the prevalence of conflicted remuneration structures. This process is already happening at an industry level, largely without the assistance of government. This arises from the general community becoming more aware of the importance and worth of financial advisers.

The FoFA legislation outlines three broad categories of conflicted remuneration. The first is monetary conflicted remuneration, the second is non-monetary conflicted remuneration and the third is other banned remuneration, such as shelf-space fees. In relation to monetary conflicted remuneration, the provisions in sections 963A and 963B are, to say the least, confusing. They have the potential to complicate matters so that general advice contained in marketing campaigns or previous advice could be inadvertently banned. These provisions have drawn sharp criticism from many stakeholders, including the Law Council of Australia, who stated:

… a product issuer who provides general financial product advice (for example in the form of a product disclosure statement), could be prohibited by the ban on conflicted remuneration from receiving a management fee as the fee could be interpreted as being capable of influencing its general advice to investors.

This could have the effect of meaning financial advisers provide less, rather than more, information to their clients. The industry need urgent clarification about whether advice they provide that is general in nature could be adversely affected by this legislation if such advice is part of the management of the funds and therefore carries a management fee. This difficulty could be avoided if the following changes were made. First, general advice should be specifically exempt from the definition of
conflicted remuneration. Second, the proceeds of the sale of a financial-planning business between a licensee and its authorised representatives should be specifically exempt from the ban on conflicted remuneration. Third, section 963B(1)(c) should be amended to link the payment for advice to a specific advice provider rather than to any representative of a licensee, and it should apply only where there is a causal link between past advice and current advice.

With relation to non-monetary conflicted remuneration, the legislation imposes a $300 limit on the value of certain non-monetary benefits. There is uncertainty as to whether this $300 limit applies on a per employee basis or as an aggregate across all employees at a firm. Again, the coalition calls for urgent clarification as to the intent of this part of the legislation. We are similarly concerned that the exemption to the $300 cap for education or training purposes relates only to services provided 'relevant to the provision of financial product advice'. This means that training in software programs, running a small business and effective communication with clients may not be allowed under the new FoFA regulatory regime. Training like this is necessary to ensure the financial advice sector, like any other business, is professional and accountable. Effective training by industry, including professional development courses relating to business, software or industry processes, is an important way for the financial advice sector to improve its standards and the quality of the service it provides. To restrict this type of training provided by licensees will severely impact on the professionalism of the industry, and it runs completely counter to the aims of the legislation.

The coalition fears that the banning of commissions for risk insurance inside superannuation will leave many more Australians underinsured because it will drive up the upfront cost of such insurance. We do not subscribe to Labor's assertion that commissions on risk insurance are in themselves a conflicted remuneration structure. We do not believe this policy will work. We know from recent experience in the United Kingdom that the banning of commissions on risk insurance does not work. The UK has recently reversed its decision—just as we head into it, thanks to the government. Australians who wish to enter voluntarily into agreements for risk insurance should be free to choose a remuneration arrangement that best suits their circumstances. This may, in some cases, include a commission.

The coalition is also concerned that the provisions regarding the grandfathering of the conflicted remuneration regime are imperfect and that they unfairly and unduly infringe on existing contractual arrangements. Existing contractual arrangements must be recognised and grandfathered to preserve existing property rights. These provisions contained in clauses 1528(1) and 1528(2) create uncertainty, particularly for platform providers who have often locked in contracts with businesses and individuals many years in advance.

The coalition shares the concern of the industry that the anti-avoidance provision contained in clause 965 was included in the bill before the industry had the opportunity to assess its impact. It was not part of the initial FoFA proposal. Item 10 of the bill inserts proposed section 965, which makes it a civil penalty offence for a person to enter into a scheme if the sole or dominant purpose was to avoid the application of proposed part 7.7A, including the best interests test. We have no issues with the provision in principle but will not support its application to legally permitted, exempted or grandfathered arrangements. The legislation
does not explicitly exclude existing arrangements. As the Financial Services Council noted:

Specifically, the wording of s965 does not exclude existing arrangements which may inadvertently capture legitimate, and legally binding, arrangements already entered into.

The legislation should be amended to capture only circumstances occurring after the commencement of the legislation.

The coalition is a strong supporter of ASIC being the sole regulator in the financial advice sector. I helped to set it up—I am a great believer in ASIC. The Financial Services Reform Act, which I as minister introduced into parliament in 2001, recognised that it was not efficient for different financial institutions, services and products to be regulated under separate frameworks. The act brought all of the various elements of the financial advice industry under the one regulator, ASIC. It gave ASIC considerable powers to regulate and oversee the industry.

However, as I outlined in our banking plan, I am the first to admit that there is more to be done. The issue of the powers of ASIC was a major focus of the Ripoll inquiry. This bill gives ASIC the power to refuse to grant, to suspend or to cancel an Australian financial services licence where a person is likely to contravene its obligations as a licensee. You heard that correctly—likely. ASIC is to be given powers to suspend somebody from their business on the basis of an assessment of what they might do, not what they have actually done. Not only is this an obvious contravention of natural justice but it is clearly a step too far. The powers were not recommended by the Ripoll inquiry and they are flawed.

As the sole regulator, ASIC must not be given, in the words of the joint accounting bodies, carte blanche with regard to its powers to suspend. The powers must be based on actions, not assumptions or assumed intentions. There must be strict guidelines set for its powers and for how it uses them, as well as for rights of appeal and procedural fairness. The Law Council of Australia stridently criticised this when they noted:

There is no standard of proof which must be satisfied by ASIC and no prescription of the matters which go to whether a person is "likely to contravene" their obligations.

Many of the problems of financial advice in Australia have not come from a deficiency in regulation but from a deficiency in enforcement. The Ripoll inquiry noted:

The committee is of the general view that situations where investors lose their entire savings because of poor financial advice are more often a problem of enforcing existing regulations, rather than being due to regulatory inadequacy. Where financial advisers are operating outside regulatory parameters, the consequences of those actions should not necessarily be attributed to the content of the regulations.

Many of the recommendations of the Ripoll inquiry were sensible and widely supported. A future coalition government would wrap up all of the work that has been done thus far with a full review of the financial system—a son of Wallis or grand-daughter of Campbell, whatever you will. I have long been an advocate, especially after the global financial crisis, of a full review—something not undertaken since 1996.

As a freedom of information request last year showed, even the Treasurer's own department recommends a full inquiry into the financial system. Unfortunately, instead of following the good lead of the Ripoll inquiry, the government has allowed its FoFA reform package to be hijacked by vested interests, creating more than two years of unnecessary regulatory uncertainty and significant upheaval for the financial
services industry. This legislation must be amended to create certainty.

Perhaps the most damning aspect of this legislation is that it fails the government's own tests for simplicity, transparency and regulatory impact. The executive director of the government's own Office of Best Practice Regulation, Jason McNamara, said the impact analysis accompanying the legislation 'was not at a standard that we would pass'. This is the government's own internal adviser saying that the legislation was not at a standard that they would pass. The impact analysis was particularly poor in some of the crucial and contentious areas of regulation, including the opt-in and annual disclosure sections.

The government must, as a matter of principle, withdraw this legislation until a full and compliant regulatory impact statement is submitted. This is the only option the government should consider. Accordingly, I move:

That all words after "That" be omitted with a view to substituting the following words: "the House declines to give further consideration of the bill and of the Corporations Amendment (Future of Financial Advice) Bill 2011 until after the Government has tabled for the bills a Regulatory Impact Statement which has been assessed by the Office of Best Practice Regulation as compliant with its requirements.

The DEPUTY SPEAKER (Mr Oakeshott): Is the amendment seconded?
Mr Billson: Mr Deputy Speaker, I second the motion.

Mr PERRETT (Moreton) (18:29): I rise to speak in support of the Corporations Amendment (Future of Financial Advice) Bill 2011 and the related bill before the House. Before I proceed to that, Deputy Speaker Leigh, since this is the first time I am appearing before you—at the bar, so to speak—I wanted to commend you for your judicial impartiality.

Ms Bird: In anticipation.

Mr PERRETT: Yes, in anticipation. As a proud Queenslander, I also congratulate the Queensland Bulls on winning the Sheffield Shield for the first time in six years. I congratulate the captain, James Hopes, a Marcellin student, I think—I think he was at the school I taught at for a while—and the coach, Darren Lehmann, for the team's great effort.

I support the future of financial advice, or FoFA, bill for three reasons. First, it will provide greater protection for consumers and that is a good thing. Second, it is supported by financial planners. Third, it is very strongly supported by the superannuation industry. Those are three big ticks. This bill is about giving Australians greater confidence that the advice they are receiving from financial planners is independent and in their best interests—not their planner's best interests. I am sympathetic to some of the comments about fiduciary duty made by the member for North Sydney, but the legislation before the House is a fair compromise and should be supported.

This change is obviously good for consumers, but it is also good for financial planners. If consumers are given greater confidence, they will be more likely to use the services of financial planners—especially since we will see a sudden growth in this area after the MRRT legislation passes the Senate tonight, allowing the Gillard Labor government to increase the superannuation guarantee from nine per cent to 12 per cent. Sadly, the MRRT legislation was not supported by those opposite. One of the members currently sitting opposite would be on a 15 per cent superannuation contribution rate. But the member for Bowman would be on the equivalent of, I guess, 50 per cent or 60 per cent—whatever it works out to be if you are on the pre-2004 scheme. So it is
interesting that we are here talking about an increase from nine per cent to 12 per cent for ordinary working Australians and about the impacts of that on society.

The Gillard Labor government is not increasing superannuation contributions in order to line the pockets of financial planners. Instead we wish to ensure that all Australians have a financially secure retirement. So we want to ensure that financial planners do not take advantage of their clients. That is why this bill introduces a requirement for financial advisers, every two years, to seek the agreement of their clients to continue to charge ongoing fees. That can be sought in quite a simple way.

There are currently some clients of financial advisers who pay ongoing fees for, arguably, little or no service in return. These fees can be in the form of third party commissions, so clients are unaware they are even paying them. Under the old system, it would not be far-fetched for a 20-year-old to be given advice once at the start of their relationship with a financial planner and then have ongoing fees charged for another 30, 40 or 50 years. As a solicitor, I would not support such practice. When a solicitor hangs up their shingle, they say, 'Every time I do work for you, I expect remuneration for the advice that I give.' They do not say, 'I expect to be remunerated for 30, 40 or 50 years into the future for one piece of advice.'

To avoid this scenario of ongoing fees being charged in return for little or no further service, this bill requires clients to make an informed decision about whether to pay ongoing fees for advice. Rather than just having the money siphoned off their investments, clients will instead be able to consider whether they are receiving value for money. While financial advisers are currently required to disclose ongoing fees at engagement, they are not currently required to do so on an ongoing basis. I note that was not raised as a matter of concern by the member for North Sydney in his contribution.

With the passing of this bill, at least once every two years advisers will be required to obtain the agreement of their clients to renew. It means a client has to agree to an ongoing relationship and financial planners cannot rest on the advice they provided years ago, or even—as is currently the case—on the advice provided by somebody else. When financial planners retire, they sometimes sell their books, in effect selling the right to the ongoing fees arising out of the past advice given. So the person who buys the business obtains an ongoing fee without ever having provided advice to the client. Under the new legislation, the person who buys the business will be required to continue to provide a service to the client if they want to retain the business.

I welcome the flexibility in this new requirement with respect to how advisers obtain a renewal notice and with respect to the grace periods that will apply when a client inadvertently opts out by not responding to a renewal notice. In addition to the mandatory renewal notice, advisers will be required to provide their clients with a disclosure statement including fee and service information. These renewal obligations will only apply to new accounts after 1 July 2012, not to existing clients. But the disclosure statement will apply to all clients of advisers.

This bill is all about ensuring that financial advisers act in the best interests of their clients. For most advisers, this bill will not affect their practice at all—not for skilled advisers who have an ongoing relationship with their customers. A good financial planner keeps in touch with their clients, saying things such as: 'The situation has
changed. You should consider doing something else.' These good financial planners will continue to provide a quality service to their clients and to reap the benefits of the advice they provide.

This legislation is targeted at the few financial advisers who have not been acting in the best interests of their clients. Those planners might, as a result of this bill, lose some business or face the cost of improving their practices. But either way it will ensure a better service for consumers, and I am happy to stand behind a piece of legislation which does that. Those financial advisers who offer a professional service will get the most business. That is as it should be.

To that end, this bill also imposes a best interests duty on financial advisers—a duty to act in the best interests of their clients. It does not mean an adviser has to give the very best advice, but it does mean an adviser's processes and motivations must be focused on what is best for their clients. It is almost bizarre to contemplate that a financial adviser would not act in the best interests of their clients, but the fact that we have this legislation before us—and that it is not enthusiastically supported by those opposite—tells us there are too many rogues out there.

This legislation will put an end to that. It is very important to do so in the context of the MRRT legislation going through the Senate which will see an increase in the superannuation guarantee from nine per cent to 12 per cent. This will see more working Australians who are not familiar with financial services putting more money into superannuation. The bill also proposes a ban on the receipt of conflicted remuneration by financial advisers. That means advisers will not be able to receive payments from product issuers which could reasonably be expected to influence the financial advice provided to a client. It is common sense.

This is a long overdue reform that is crucial to the integrity of the industry. As people know, you cannot serve two masters and sometimes when giving advice that is going to remunerate people there can be a potential for conflict. You simply cannot have a situation where financial advisers are giving apparently independent advice and, all along, pocketing benefits from the advice that they give. It is massive conflict of interest. Obviously we do not tolerate it in politics, certainly not in Queensland and certainly not under the current Premier, and we should not tolerate it in private sphere either. I understand that much of the industry has already moved on this issue. I note the comment of the chief executive of the Financial Planning Association of Australia, Mark Rantall, who said:

We released our remuneration policy on banning investment commissions to members in 2009, which laid the groundwork for transparent payments, giving our members a head-start for the transition.

I understand Mr Rantall speaks on behalf of about 8,000 financial planners—so he speaks with some authority. Obviously, for some financial planners—and I recognise those in my electorate who came to see me about this topic—it is a bit of a change. Change is something which the Labor Party embrace. Change for the good is something that can be tough for some. It will require readjustment and I ask for some tolerance from them because we are doing this for the greater good.

These measures are good for consumers and they are good for the integrity and professionalism of the financial planning industry. I am proud of Labor's record on superannuation and of the legislation before the House that will impact the industry. Obviously, when superannuation came in
back in the early 1990s there were trade-offs by common workers and we are seeing the benefits for those people now when it comes to retirement. I think this part of the legislation before the chamber is part of that proud record. I am very pleased to support these bills.

Mr EWEN JONES (Herbert) (18:39): To the member for Moreton, you can pay a solicitor for doing nothing: it is called a retainer. Probably, when you were acting as a solicitor no-one bothered with that one with you, mate. I rise to speak on the Corporations Amendment (Future of Financial Advice) Bill 2011 and the Corporations Amendment (Further Future of Financial Advice Measures) Bill 2011. The collapse of Storm Financial during the GFC had a devastating impact on my electorate of Herbert. Any changes to the financial sector that this government make such as contained in this legislation will be of great interest to me and my constituents as we look to make sure that the financial sector is regulated in a way that allows it to grow and helps investors without encouraging practices that affected so many North Queenslanders during the Storm collapse.

One of the main changes in the FoFA bill is to require financial advisers to get approval for ongoing fees. The other major change is to make the Australian Securities and Investments Commission better able to supervise the financial services sector. The FoFA bill introduces an obligation for financial advisers to act in the best interest of the clients, with bans on conflicted remuneration so that advisers do not have a financial incentive to encourage their clients to buy certain products and bans on volume based shelf-space fees from asset managers and asset based fees on borrowed amounts.

While the coalition recognise the need to improve the regulatory framework within which the financial institutions operate, we have serious reservations about the content of these bills. In the midst of the GFC, the Parliamentary Joint Committee on Corporations and Financial Services, chaired by the Hon. Bernie Ripoll, ran an inquiry into the financial services industry, producing a report that included recommendations in late 2009. This Ripoll report had bipartisan support in the House, including for its recommended changes. In fact, 407 submissions were made to that Ripoll inquiry and only one called for the opt-in. The Ripoll inquiry did not call for the opt-in feature.

Now, over two years later, we see the proposed legislation before the House and it does not look much like the recommendations that both parties and much of the industry were in agreement with. Instead, this government have managed to let the committee's findings give way to lobbying from the industry super fund movement. The end result of this will be that the financial sector and their clients are set to suffer. I will give the member for Oxley his dues. He was very vigorous and very aggressive in his pursuit of what happened with Storm Financial. He came to Townsville on a number of occasions. A good friend of mine Max Tomlinson helped him with that inquiry during those times he came to Townsville to get the information that he obtained. I will give the member for Oxley his dues: he was very diligent. The report which had bipartisan support and the work that he put in to achieve that bipartisan support should not go unmentioned in this House.

These bills are far more complex than they need to be. They leave much of the content unclear. They will have an impact on employment within the financial sector. They will create an unfair environment and government-friendly businesses will thrive at
the expense of others, and they come at an unreasonable cost—$700 million to implement and a further $350 million per year after that. Changes need to be made to these bills and the coalition will move a series of amendments, as foreshadowed by the member for North Sydney and shadow Treasurer, Mr Hockey. These amendments include the requirement for government to table a regulatory impact statement on the bill, the opt-in requirement to be removed from the FoFA bill, the additional annual fee disclosure requirement to not be applied retrospectively, an improvement in the drafting of the best interest duty, the further refinement of the ban on commissions on risk insurance inside super products and, finally, that the implementation be delayed until July 2013, the point at which the new MySuper product will be introduced.

In Townsville the finance sector is a vitally important one, helping Australians maximise the financial opportunities available to them. It is important that we make financial advice as affordable and reliable as possible and that Australians are able to trust the industry. This goes far beyond the provision of superannuation. The collapse of Storm Financial in Townsville dented the confidence of many North Queenslanders in the industry, even though the model used by Storm was completely different to that of other financial planners.

We must not lose sight of the need for these services to remain affordable. There will be a need for a balance between effective consumer protection and the cost impact of regulation. The Storm business model, in my understanding, required the customer to pay the provider upfront for services to be rendered—that is, their commission was taken in advance of any return on investment. The model worked fine as long as the market continued to grow and you were prepared to continually borrow to keep the model going. The provider carried no real risk. They were not getting paid on effort. Rather, they were paid on salesmanship alone, with no commitment to the future. They took no risk if the system failed because they had already been paid—and that is where the Storm Financial system broke down. In Townsville, and throughout North Queensland, there were many, many people who fell for this poor business model and lost their futures. I understand their calls for fairness, but I ask them not to lump every financial planner into the same basket—and I say that to the government as well.

The vast majority of financial planners want to take you by the hand and walk you towards a bright future and a splendid retirement. The Storm model could never be assumed to have that in mind. My concern is that parts of this bill are unnecessarily burdensome on businesses and that this will impact on their ability to provide affordable financial advice. Nobody is denying the need for measured regulation of the financial sector, but it is local businesses and their consumers, like those in Townsville, that will suffer when we go too far. I have spoken to a number of financial advisers in Townsville. To a man and a woman, they are members of the community and often provide much more to that community than they receive. People like Lindsay and Marie Orchard from Financially Yours have built a great business not only by selling great products to clients but by actively seeking out the right product for the right client.

What people in the industry are telling me is that, if you make people pay upfront, younger people may baulk at the cost and defer their entry into superannuation schemes or other retirement financial advice packages, with obvious long-term consequences. The problem you have is that if you say to a 20-year-old, as the member for Moreton was saying, he has to pay
upfront and come up with a $2,500 fee—$2,500 to a 20-year-old second-year apprentice is a lot of money—he will say he would rather spend that money down at the Great Northern on a Friday afternoon on beer off the wood. They are not going to jump into these products. That will have long-term consequences.

There is also the issue of people who are, to use the industry term, 'hard to set'. If a man who was overweight, over 30 and had associated health risks from playing 25 years of pretty poor rugby was to present himself to a set-fee agent, the answer he would probably get is that the agent could not find a suitable product—either that or the entry fee would be exorbitant to justify the work needed to find a company willing to take on the additional risk. But when you are a commission agent and get a trailing commission you work for the reward. The client does not particularly care if the agent gets a commission. In fact, I suggest that only a fool would believe that services are provided without a cost. If the cost is carried over a long length of time and is reasonable considering the work done, then I would suggest that people would be more than happy to pay, as has been the case with 99.9 per cent of commission based financial planners.

I am an auctioneer by trade. I charged commission for sales. I got rewarded depending on how good I was. I have done some great jobs and have received great reward. I have also done some absolute shockers and sustained net losses, but that is the name of the game. You cannot expect one-way traffic. You cannot expect to receive benefits without cost. You cannot be completely risk free. As an auctioneer or as a financial planner, you have to fight for the sale in the first place, using your skills as a salesman for the products you offer. All that does is put you in a position to work for your client. It is not simply an opportunity to get paid. That is the problem with this bill. The government wants to exclude people with the ability to sell and make a living.

I believe in commission. It sorts out the professionals from the amateurs. In Townsville, we have people in financial planning, such as Deidre Walsh, the entire Haller family, Ross MacLean and others, who have provided these services to generations of Townsville people and North Queenslanders in general. We have people like Louise Previtera and Daniel Watts, who are backing themselves and earning a living to become career financial planners for future generations of North Queensland people. These are young people prepared to have a go and work the hours that are required to develop a business. They believe they can provide the services needed to maintain good clients and assist them to achieve their dreams.

No amount of legislation will stop people rorting the system. This legislation is not about trying to level the playing field. There is no other way of putting it: this legislation is about this government's hatred of small business and success. I can see no other reason to stop someone working 80 hours in the hope of getting someone covered and, in the process, establishing a relationship with the client which will last a long time into the future. This government wants everyone to work a 36-hour week—and if you want more they will stop you.

Nobody is denying that changes need to be made to the financial sector. We know the consequences of not doing something. But this government has once again squandered the support for change of the political and industrial environment by giving in to vested interests and overregulating. I say again: this is going to cost $700 million to implement and a further $350 million per year.
thereafter. Key changes are needed to this legislation so that it does not hurt financial sector businesses and, in turn, their clients. We know what those changes need to be and we will support this bill if the government makes them.

Ms BRODTMANN (Canberra) (18:51): It is a great pleasure to be able to speak on this bill tonight which seeks to amend the Corporations Act 2001 and to ensure greater regulation and reform of the Australian financial planning industry.

Before I go on, I just want to make some comments in regard to the member for Herbert's comments. He seems to think that Labor has a hatred of small business and a disdain for success. I take issue with that because the facts are completely to the contrary. We have just recently announced a small business commissioner, which is a very welcome innovation and was welcomed by COSBOA's Peter Strong here in Canberra just last week. We are also trying to introduce legislation so that we can give small business a tax cut come 1 July, and also a $6,500 instant asset write-off. The beauty of that asset write-off program is that, with this asset write-off—it is $6,500—you can have as many $6,500 as you want. So, speaking as someone who was in small business in my former life, it will be a huge boon. It will be a huge benefit for small business in terms of going out and updating and refreshing their technology and also in getting more clean energy technology. So it is going to be a very welcome program when it is introduced and very much welcomed by small business.

These two bills, the Corporations Amendment (Future of Financial Advice) Bill 2011 and the Corporations Amendment (Further Future of Financial Advice Measures) Bill 2011, are the culmination of work that began more than three years ago with the Parliamentary Joint Committee on Corporations and Financial Services' inquiry into financial products and services in Australia, and that was chaired by the member for Oxley who, I understand, is the parliamentary secretary for a number of these financial areas now. That inquiry was established in the wake of the global financial crisis and the collapse of financial companies such as Storm Financial and Opes Prime. And, out of that inquiry, the government developed a series of reforms known as the Future of Financial Advice reforms. These reforms complement the Gillard government's commitment to increase the superannuation guarantee from nine per cent to 12 per cent.

Superannuation is something the Gillard government has been working hard to introduce, and I am extremely proud that soon 8.4 million Australian workers will get a very welcome boost to their superannuation savings, thanks to Labor. But it would be somewhat irresponsible to make such a policy commitment without ensuring those increased retirement savings for millions of Australian families are protected now and into the future. That is one of the drivers of, one of the motivations for, this legislation that we are debating here tonight.

This legislation means that more people will be able to access financial advice and know that the advice they are receiving has their best interests at heart. Australians should have faith that the advice they are receiving is of high quality, and they should be able to have confidence in the financial services sector more broadly. I have no doubt that the financial crisis has had an impact on people's perceptions of our financial institutions, particularly when we
saw what happened in the US, what happened with the Bank of Scotland and what happened in Europe, but I hope that, through these reforms, we can strengthen our finance industry and even encourage more people to seek out professional advice when it comes to important financial matters such as superannuation.

These amendments will do a number of things to address some key industry concerns. I want to reiterate that the Gillard government has consulted long and hard, not only with the industry but with consumers as well, to ensure that these reforms are robust. We believe these bills are needed to ensure our financial sector is both responsible and strong into the future. I would like to go through some of the reforms that are in these bills that we are seeking to introduce to our financial services industry here tonight.

The first tranche of the legislation focuses on two important reforms. The first is that the bill will require providers of financial advice to obtain client agreement for ongoing advice fees. The second element will enhance the ability of the Australian Securities and Investments Commission to supervise the financial services industry through changes to its licensing and banning powers.

Just going back to that first point: these measures will put in place requirements for financial advisers to obtain their customers' agreement every two years in order to keep charging them ongoing fees for their services. I think it is disappointing that there are some customers paying ongoing fees but receiving very little or no service. Some clients may even be unaware of how much these fees are costing them and may simply be continuing to pay them. This kind of behaviour only encourages distrust in the industry and risks alienating new customers. It is something that needs to change, from

the point of view of both financial planners and their customers.

The new measures outlined in this bill will promote the active renewal by the client of ongoing fees for advice, with opportunities for them to consider whether they are receiving value for money. It will also assist to disengage clients from paying ongoing fees that they should not be paying. I hope that, through this change, more people will become aware of what they are paying for and take better charge of their financial situation. That is particularly important for me.

Secondly, the bill enhances the capacity of ASIC to supervise the financial services industry and protect investors. During the member for Oxley's inquiry, ASIC raised concerns as to its ability to protect investors by restricting or removing unscrupulous operators from the industry. The bill will strengthen the gatekeeping function of the licensing regime and extend ASIC's powers to remove unsatisfactory people from the industry. ASIC will be able to refuse or cancel a licence or ban a person where that person is likely to contravene rather than breach the law. ASIC may also remove representatives if they are not competent and of good fame and character, or if they are involved in its licensee's breach of the law.

The second tranche of legislation will build on these two important reforms by focusing on the interests of advisers and their clients. It will introduce a new statutory best-interests duty, requiring financial advisers to act in the best interests of their clients in the provision of personal financial product advice. And it will introduce a ban on commissions from product providers to financial advisers or firms. I have no doubt that the majority of financial advisers want to do the right thing by their clients and want to give them unbiased advice to the best of their
ability. The best-interest duty requires financial planners and advisers to act in the best interests of the client and to give priority to the client in the event of conflict between the interests of the client and the interests of the individual who is providing the advice, or their employer. I therefore think this will be welcomed by many in the finance sector as simply a commonsense approach which merely codifies how they already go about their business—with integrity and professionalism. But for those advisers who do not always put their client's interests ahead of their own, this reform will no doubt be a wake-up call.

It is important that we have a strong financial sector, a sector people can place their trust in. We want more people to place their trust in financial advisers. It is a very important industry. Therefore we need to make it clear to the public that financial advisers are a professional industry, free from vested interests. We can only do that by ensuring that the adviser's only source of income is their client. This will ensure that client can have total confidence in the advice they are receiving.

Also banned is the receipt of other payments or benefits received by financial advisers or firms that could reasonably be expected to influence financial product advice, meaning soft-dollar or non-monetary benefits over $300, with some exceptions around education and professional development. This creates hard obligations in industry codes. There are some additional measures in relation to other forms of remuneration, but I am not going to go into those tonight.

Currently around one in five Australians rely on financial advice. We need to make sure that that advice is affordable and of high quality. I believe these bills seek to do just that, but I also want to make sure that these bills encourage more people to take charge of their own finances. Financial literacy is something I feel very strongly about. I am a huge advocate for the need for more people, particularly women, to take charge of their own finances.

There are some examples I would like to discuss briefly tonight. The first is some recent news from my sister-in-law about her mother, who was a single mum. She brought up her kids on her own and did it pretty tough, like my own mother did. She had all her life savings wiped out. She trusted a financial adviser and now all her savings have been wiped out. She had actually been in quite a comfortable position with her life savings and financial position. But, as a result of a poor investment and very poor advice, she is now in a pretty bleak financial position. She has no house and she is now on the pension. Previously, her future was looking incredibly comfortable as a result of all her hard work in socking money away in these programs recommended by her financial adviser. Now it is all gone. She was living with my sister-in-law for a while, and now she is living in rented property and is doing it tough on the pension.

These sorts of stories are constantly at the back of my mind when I think about this industry. As I said before, the majority of people in this industry are people of integrity and professionalism. There are a handful, though—a small part of the sector—who often do not do the right thing, and these are the people we are encouraging to have this wake-up call.

From my own experience—and I think I have mentioned it in this House before—when I went out in my own business in 2000 there was the difficulty that no-one was paying my super anymore. You have to work out how much super you need for when you retire and how much you need to contribute
each year to make sure you have a comfortable retirement. First of all you need to work out how much you need, and then you need to work out how much you need to sock away each year to ensure that you can reach that goal.

I went to see a financial adviser to work out a range of elements of my financials at the time, particularly for a new business, and also to seek advice on what I should be doing with super. It was staggering: this woman obviously was not listening to a word I was saying. I paid a lot of money for her financial advice; from memory it was in excess of $1,500 for this session. She wanted to lock not just my savings but also my working capital finances in these special accounts that were all linked to one bank—and I am not going to mention the bank here. She kept giving me advice on programs I should be following that were not tailored to my needs; they were tailored to the off-the-shelf programs that were provided by this bank and this financial institution. So it was essentially tailored to her commissions and tailored to the products that were offered by the bank—tailored to someone else's needs, not my own.

I found that experience to be completely soul destroying, to be quite honest. In the end I subscribed to Money magazine, and I read a lot on the ACCC websites and just kept abreast of what was going on in terms of financial advice. That was not only incredibly empowering but also a lot cheaper than going out to get advice that did not meet my needs in the first place.

So I am a strong believer in the need for women to take charge of their own financial situation. It is disturbing that at this point in time 60 per cent of Australian women are retiring with no superannuation—none at all. I see many of them come through my office each week when I am not here. Some of the stories are quite bleak and sad. And the average woman who does retire with superannuation does so with less than half that of the average man. Too many women in our community are spending a couple of years living on their superannuation and then they just go on to the pension.

So I hope that, through these changes to the way financial advice is dispensed, our community—particularly the women in our community—will come to have a better understanding of their financial futures. After all, Labor's response to the GFC saved jobs and ensured that Australia avoided a recession. As a result, we delivered a strong economy with low taxes, low unemployment and low interest rates. This legislation will build on that work and make our financial systems even stronger. I commend the bills to the House.

Mr VAN MANEN (Forde) (19:06): Before I get into the substance of my contribution tonight on the Corporations Amendment (Future of Financial Advice) Bill and the Corporations Amendment (Further Future of Financial Advice Measures) Bill, I would like to thank the member for Canberra for her contribution. The two examples that she finished off with are very relevant. The problem with the examples that she has just given us is that none of those examples would be protected by the regulations that are in this legislation.

The first example—and I have seen this firsthand—is an example of product failure. Product failure and bad advice are not necessarily the same thing. The problem with this whole discussion around the FoFA reforms is that they are all targeted at the financial planners, yet a lot of the problems that we have experienced over the past three or four years are failures of product. They are not failures of the advice necessarily—in some cases they are but not in all cases. The
issues with people's superannuation today are a result of the GFC. They are not a result of poor planning advice per se.

Why, in this legislation, are we attacking people who are providing professional, long-term quality advice to the majority of their clients? There are people who have done the wrong thing, I have no argument with that. Superannuation today is underperforming because of global financial markets. It is also underperforming—and there was a report about it this morning—because the Australian share market has underperformed the US share market over the past four years. How much of that can we sheet back home to a loss of confidence in the Australian economy generally through poor government management, waste and excess? That is having far more effect on the value of people's superannuation funds than the advice that they are receiving. This is not the first time I have touched on this issue. As those here know well, I have a background in banking and financial services prior to entering this place. The vast majority of financial planners today are providing high-quality, professional advice to their clients. But, when you read these bills, you would think there was a bunch of crooks out there.

The second example that the member for Canberra gave was in dealing with a major financial institution. The fact is that these bills are not going to improve that situation; they are actually going to make that situation worse. This regulation is going to directly assist the big financial planning firms, most of which are now owned and run by the banks. The bills are also going to assist the industry super fund network, and there is plenty of stuff in these bills that comes directly from their single contribution to the Ripoll inquiry. The small financial planning practices that provide high-quality, independent professional advice are the ones that are going to go out of business. The very issue that the member for Canberra spoke about is not going to get better; it is going to get worse.

These bills emanate from the Ripoll inquiry, which was entered into as a result of the failure of Storm Financial, the failure of Trio Capital and the failure of Westpoint. Let us have a look at those three failures. Storm Financial was a failure of strategy as a result of the global financial crisis. It was a fee-for-service business. They did not charge commissions. So again this is a regulation that bears no resemblance to what has actually happened. It is arguable that Trio Capital was a case of fraudulent activity in a couple of its funds. This bill does not deal with fraudulent activity. With Westpoint, there was a failure of product due to changes in market circumstances. Again, this legislation does not deal with issues of product failure. It deals with failed products by saying that, because advisers put together a strategy and the product failed, they are bad advisers. That is not the case at all.

I fully support the argument that it is important that we have an appropriate regulatory framework to protect individuals, families and businesses. I think that is an eminently sensible path to pursue. Equally, that regulatory framework must balance consumer protection whilst ensuring affordability for all involved. Our Australian financial services industry, and the regulatory regime that currently underpins it, is recognised as one of the best in the world. There is no doubt this is largely because Australia’s financial services reforms, legislated a decade or so ago, have provided a solid regulatory foundation for our financial services industry.

The member for Canberra touched on the fact that financial planners had not been removed from the industry for a variety of reasons and, therefore, we need to give ASIC
more power. ASIC has more than enough power. The problem is that ASIC is not enforcing the rules that are already there. This is not the first time I have touched on this issue in this House. So why are we giving the regulators more power when they do not even enforce the rules that are already there? There are plenty of examples of bad advice over the years where those advisers have not been removed from the industry and it has been well known throughout the industry. So why has ASIC not acted in those circumstances?

Nevertheless, there is always room for improvement. However, improvement does not mean additional regulation for the sake of making change, particularly when it adds to the complexity of the regulation that is already there and that can quite adequately do the job. The last thing we need to do is to make things more complex and costly for consumers supporting this industry as a result of poorly planned or poorly motivated legislation. There is a tendency these days for this government to wrap things up in red tape, forcing an increase in costs to both businesses and consumers and leaving them feeling as though they have been ripped off when they should be feeling as if they have benefited. A lot can be learnt from the collapses of Storm Financial, Westpoint, Trio Capital and Opes Prime. We certainly need to review the lessons that can be learnt from that, but we do not need to throw the baby out with the bathwater. The Ripoll inquiry did a great job and made a number of very well considered and reasonable reform recommendations. The centrepiece of the inquiry's report was a recommendation to introduce a fiduciary duty for financial planners, requiring them to place their clients' interests ahead of their own. The report's recommendations provided a blueprint that the government could have adopted with bipartisan support. I could quite safely say that, even without this bit of regulation, any reputable financial planner would always have the view that their clients' interests came ahead of their own. In my experience, that is by far the majority of the financial planning industry. The industry has no issue with that part of the report. It accepts it and accepts that it needs to lift the standard and become more professional in a number of areas.

The committee was of the general view that, in situations where investors lose their entire savings because of poor financial advice, there was some problem with enforcing existing regulations, but it was the enforcement of the regulations, which I touched on before, rather than there being a regulatory inadequacy. So it comes back to why the regulators are not enforcing the regulations that are already there. Where financial advisers are operating outside regulatory parameters, the full weight of the law should be applied and they should be dealt with as a result; they should be removed from the industry. As a previous financial adviser I would like to see those people removed from the industry because we want to see it regarded as a profession and a professional industry.

Instead of implementing the recommendations made by the Ripoll inquiry, the government has allowed its Future of Financial Advice reform package to be hijacked by vested interests. Over the past two years, there has been a series of completely unexpected changes to the proposed regulatory arrangements under FoFA, even right up until the last couple of weeks. Invariably, this has been done without proper appreciation or assessment of the costs involved which, as the member for Herbert quite rightly pointed out, are $700 million to implement and some $350 million per annum to maintain.
It is important that these financial advice reforms are properly considered so that we do not create a situation where the big players in the industry gain strength and power at the expense of the small to medium-sized financial planning businesses that, by and large, provide the majority of the independent, high-quality financial planning advice to the Australian community. It is not the big banks, not the big financial institutions and not the industry super fund network that are providing independent advice. They are motivated by sales targets, bonuses and other things, and quite rightly this legislation seeks to cut those things out. It is the small financial planning practices that are built up over 20 or 30 years that are the true professionals and pioneers in this industry.

To that extent, I would like to touch on an email that I received from a person who has been in the industry since 1971, and it is one of the many inquiries I have received in my office. He touches on the matter of conflicted advice. Conflicted advice is where financial planning advice is provided through banks, insurance companies, fund managers and industry super funds. This financial adviser believes that advice provided by these financial institutions is not always in the best interests of the client. He also stated that it is clearly noticeable that, since the FoFA regulations were drafted, there is increased uncertainty about the changing face of the industry and how advice is given.

At this point, I will use a very personal example on the effect of these proposed regulations and the ongoing debate over the last couple of years about the future of this industry. A financial planner who was in the same dealer group that I was when I was doing financial planning found out, three days before the sale and restructure of his business were to occur, that the bank had pulled the funding because of the uncertainty about these regulations. The end result was that this gentleman committed suicide. That is what these regulations and this uncertainty have done to some people in the financial planning industry. I think the government should hang its head in shame.

The adviser who sent me this email went on to say that many of the small non-conflicted licensees are now being purchased by large institutions because they do not have the capacity anymore to raise finance or to restructure their businesses to comply with these new regulations. Again we come back to the point of the member for Canberra: we finish up with a raft of regulation that takes out the very people who provide the diversity and flexibility of advice that clients will not get from the big players in the industry. What value will that provide to the Australian community? I submit that it will provide none whatsoever. It actually goes totally against what we should be seeking to achieve in this place. We should be looking to encourage small business to grow, develop and provide genuine competition to the big players in the industry, who have their own interests at heart and not necessarily, I dare to say, their clients' best interests.

This financial adviser entered the industry in 1971, when 100 per cent of all businesses providing advice were conflicted and acted as agents for insurance companies. This has changed over the years, with clients wanting a more independent view of their options. The financial adviser is concerned that we are returning to a situation, turning 360 degrees and essentially going backwards, from where we have already come.

important to remember how we got here. A lot of the time, events occur out in the community—particularly in relation to people's financial situation—and there is rightfully a call for something to be done to protect people from these problems. The problem that one encounters is that there is a distance between the event and the response, naturally enough, because you need to consult and frame the legislation. By the time you get to the point of putting the legislation before the parliament, memories are not as clear as to how we got to the point of needing to put in new legislation and regulations.

Let us remember the collapse of Storm Financial and the impact that that had on people across the country. Storm had more than 14,000 clients with about $5 billion in funds under management when they went under. Around 3,000 of those investors were left owing hundreds of thousands of dollars to banks when their portfolios had borrowings placed against them. In many cases, investors had to sell their homes to repay these margin calls. We are not talking about high rollers making risky investment decisions; we are talking about ordinary mums and dads, grandparents and workers.

I want to go through some of the cases. The *Courier Mail* in 2009 outlined how a Sunshine Coast police officer by the name of Sean McArdle was burdened with a $1 million debt from his Storm investment. Then there is the story of a former TAFE teacher from Lane Cove, Brian Taylor, who lost close to $200,000 on his Storm investment. He was fortunate enough to keep his home. The *Sydney Morning Herald* reported later that year the story of Shayne and Tracey Bonnie, who lost at least $226,000 when Trio Capital, another firm, went under. And pharmacist Ian Hogg, who had planned to retire last year, had to continue working after losing $300,000.

These are real life examples of people who have been hurt because the system has failed to protect them. Those people's life savings were lost overnight and people were literally impoverished as a result.

At the outset, it is important that we recognise that there were two people in particular who played a big part in bringing about these reforms. Firstly, the now Parliamentary Secretary to the Treasurer, the member for Oxley, as chair of the Parliamentary Joint Committee on Corporations and Financial Services, made a number of important recommendations in the committee's report entitled *Inquiry into financial products and services in Australia*. They are included in this bill. Secondly, it is important to commend the efforts of the Minister for Financial Services and Superannuation for his efforts in bringing the financial services sector on board with these reforms and achieving an equitable outcome for outcomes as well as those who provide these services.

This is not, as the member for Forde indicated in his contribution to the debate, regulation for the sake of regulation. This legislation is the result of some of those stories that I mentioned earlier. We had to respond. Unfortunately, it is never the case that anything in the financial services sector is straightforward. It is going to be complex. While the member for Forde made the point that we are putting in place complex regulations, it is worthwhile noting that in this sector that is just a fact of life. It is a sector that moves quickly and that has changing products and sometimes you need to not just operate within Australia's borders but be mindful of what is happening outside. This is not an easy path to tread. The contributions made by the member for Oxley and the minister should be recognised.
This legislation is within the framework of what the government is committed to: ensuring that Australians have the means and the incentives to save for their retirements. Australians today are living considerably longer, as is well documented, than they were at the time that the Keating Labor government introduced the superannuation guarantee way back in 1992. This is why the government's policy to share the wealth that is generated from our booming mining sector among all Australians is vital. Boosting compulsory superannuation from nine per cent to 12 per cent will increase the retirement savings of 8.4 million workers by $500 billion by the year 2035. It would be difficult for this government to reconcile placing so much emphasis on retirement savings only to allow those savings to be eroded by bad financial advice and unjustifiable fees.

These bills will make significant changes to the sector that Australians rely upon for financial advice and to take care of their retirement savings. This reform is to a large extent, as I indicated earlier in my contribution, a response to the collapse in recent years of major investment providers. I have mentioned Storm Financial and Trio Capital. But there was also Opes Prime and Westpoint. People were financial casualties of the collapse of those providers. These bills will strengthen the financial advice sector by growing consumer confidence in the services that they provide. But it will also give certainty to Australians who make use of these services and give them confidence that they will be protected from unscrupulous operators.

At this point it is worth noting that sometimes when regulations are proposed people who are doing the right thing feel that in some way, shape or form they have been targeted because of the bad judgment calls of others. I can certainly appreciate that a view in that vein may exist. However, at the same time, given the large amounts of money involved—and again I go back to the cases that I highlighted earlier, in which ordinary mum and dad investors lost so much money—there is a requirement for us to act in their interests. That is why we have had to make these types of moves. Through the course of the consultation that has been undertaken to refine what was planned, industry comment has been taken into account to build a much more solid and rigorous sector.

This legislation will require financial advisers to obtain agreement from retail customers every two years in order to charge them an ongoing fee for financial advice. Presently, consumers who seek one-off financial advice may continue to be charged a fee for the initial advice many years after despite no ongoing service. This perhaps would not occur where investors were well engaged in the investments, but consider how many of us know exactly where our superannuation is invested and what fees are charged. The truth is that many of us are disengaged from time to time in matters pertaining to investments.

This new requirement will not just include direct payments from the retail client to the adviser, it will also capture third-party product commissions which effectively eat into investment returns. In future, financial advisers will be required to ask retail clients to renew or end the ongoing-fee arrangement. If the client does not respond to the renewal notice they are assumed to have terminated the advice relationship and no further fees can be deducted. However, I imagine one consequence of these reforms will be that it will obviously require a much more engaged relationship between advisers and clients. That in itself, one would imagine, would have the potential to improve financial literacy and ensure that people will
not only be aware of their investments and the performance of those investments, but have a much more solid feel for the advice that is being provided.

The bills have measures to accommodate clients who inadvertently opt out of a relationship. They improve the capacity of the Australian Securities and Investments Commission as regulator to take action against persons it considers to be unsatisfactory because they have provided unscrupulous advice. In a measure that will further increase consumer confidence, the bills will impose a statutory best-interest duty on financial advisers. This would require advisers to place the best interest of the client ahead of their own commercial interest. Again, there would be a lot of advisers who would operate in this way but there are those who would take the occasion to act in their own interest rather than their client's. This in no way places a burden on advisers to provide flawless financial advice; nor does it guarantee the sorts of returns that might be discussed when providing advice. Rather, it regulates how advisers must deal with conflicts. For instance, a ban will be put in place to prevent advisers accepting conflicted remuneration, including commissions, from product issuers. This measure alone will help to beef up the integrity of the advice industry, thereby providing greater consumer confidence and helping to grow the industry. Knowing that advisers are receiving income only from clients and not from product issuers gives people confidence that their best interest is foremost in their adviser's mind.

The industry has accepted that a fee-for-service model is best practice, and many have begun to move away from a product commission model. These bills will ban advisers' receiving non-monetary benefits over $300, with some exceptions around education and professional development. I would like to remind the House that a lot of these reforms come about as a result of the impact of some of the major collapses of various investment houses. I would hate to think that constituents of mine could be faced with some of the losses that have been incurred by some consumers in the past few years. A practice in which financial advisers encourage investors to borrow against their investment, known as gearing, is responsible for a lot of the grief that others have experienced. Townsville Vietnam war veteran Steve Reynolds was, according to the Australian, one of the first victims of the Storm Financial collapse. Mr Reynolds, who was receiving a disability pension of $850 a fortnight, was given a loan of $1.2 million.

Mr Stephen Jones: That's outrageous!

Mr Husic: It is outrageous, as the member for Throsby indicates. He received a loan of $1.2 million despite having no capacity to repay the loan. Another affected investor, retiree Ian Jones, is reported to have asked his lender for a copy of his home loan application. He discovered that his income had been hugely overstated in order to secure margin loans of $700,000. These bills will now ban advisers charging a fee based on the percentage of client funds which are borrowed. This will discourage advisers recklessly advising clients to borrow against their investment in the manner of the types of cases I have just related to the House.

While much emphasis has been placed on the consumer protection measures, these bills have many other elements that are designed to give certainty to the industry and to minimise the financial impact of these new laws. The renewal obligation will apply only to new arrangements after 1 July this year and will not include existing relationships. Again, it is trying to balance out those clients who are already in the system against the new relationships that will be set up. I am
assured that these bills will have minimal financial impact on financial advisers. Of course, where an adviser has no ongoing contact with the client there will be a small administrative cost to have the client renew their arrangement with the adviser. There is obviously no way you can get around that.

I should note that the collapse of Storm Financial affected not only investors but also people who owned and operated Storm Financial franchises. One such franchisee, Wally Fullerton-Smith, lost $1.8 million he had invested in his Storm franchise on the Gold Coast in Queensland, the state of the member for Ryan, who is in the chamber. Proof of debts submitted to Storm liquidator Worrells reveals that 12 franchisees owed $23.2 million when Storm collapsed. The Corporations Amendment (Future of Financial Advice) Bill 2011 is a win-win for advisers and consumers. Certainly, not every single person will agree with every single aspect of the reforms we are putting forward. But what everyone will agree on is that mum and dad investors should not lose to the tune of millions of dollars and that small businesses that have invested in good faith, thinking that they would be able to enhance and grow the business and provide a future for themselves, should not see their future disappear before their eyes because of the type of collapse that we have experienced previously. As I said at the start of my contribution: we need always to remember what events brought us to this point and that we are trying to minimise the chance of this occurring again and impacting on families in the devastating way it has in years past.

Mrs PRENTICE (Ryan) (19:36): I rise today to discuss the many concerning elements contained in the Corporations Amendment (Future of Financial Advice) Bill 2011 and its cognate Corporations Amendment (Further Future of Financial Advice Measures) Bill 2011. I am pleased to have the opportunity to speak on this important issue which will adversely affect the financial sector, consumers, advertisers and small business. In their current form, quite simply, these bills will unnecessarily increase red tape, increase the cost of financial advice for Australians and, at the same time, reduce consumer choice and competition.

Australia has a strong regulatory framework for the financial sector, with a clear regulatory divide between APRA and ASIC. This framework, strengthened by the Howard government in 2001, greatly assisted how this nation weathered the global financial crisis. However, our country has also seen several notable system failings which have left many Australians suffering financial difficulties, including the collapse of Storm Financial and Opes Prime.

I recently met with a constituent to discuss their experiences with the fallout of the Storm collapse. Hearing their story and knowing many others are in the same situation does point towards the need for some reform in this sector. That is why the coalition offered bipartisan support for the imposition of obligations for fiduciary duties for financial advisers, which require them to place their clients' interests ahead of their own.

The coalition was encouraged by the very widely supported recommendations of the original Ripoll inquiry in 2009. However, more than two years have passed since then without significant action and now the government has gone too far, as they so often do, in promoting overregulation and ignoring what is actually happening on the ground in the industry. Treasury itself has noted that the collapses of Storm Financial and Opes Prime were the result of underlying poor business models whilst also noting that the global financial crisis was a contributing factor.
factor. To be very explicit, the collapses, dreadful as they were, were not expressly the result of an inadequate regulatory structure. Moreover, many of the concerns listed in the original Ripoll inquiry were passed through parliament—for example, through the Corporations Legislation Amendment (Financial Services Modernisation) Bill 2009 and other bills. As demonstrated on 29 February 2012 by the member for Oxley, the government is continuing to use the collapses of Storm and Opes Prime as a smokescreen and pretence to impose unnecessary burdens and imposts on financial advisers and their customers.

It needs to be put on the record that financial advisers play a key role in this country. It is a well-known fact that the movement of the baby boomer generation into retirement will have a major impact on younger generations, and prudent financial management throughout an entire lifetime will become more and more important as burdens on the public purse increase. With our busy lifestyles, however, few people have the necessary knowledge or time to undertake the research needed to make informed decisions regarding investments. This is where financial planners provide a specialised service. They help Australians who voluntarily choose to purchase their services better manage financial risks and maximise their own financial opportunities. As they handle other people's money, it is fundamental that we must have a vigorous regulatory system for the industry, which is why in 2001 the Howard government legislated important reforms to protect Australian consumers and provide a stable regulatory environment for the industry.

The proposals we are debating today to reform the future of financial advice are complex. They include the annual disclosure of advice fees to retail clients, the need for advisers or fee recipients to obtain the agreement of retail clients before continuing to charge ongoing fees, effectively acting as an opt-in clause, and also explicit incorporation in law, legislating the current common practice that retail clients can opt out or terminate their ongoing contract at any time.

Of course, this government purported to undertake what they called:

… extensive targeted consultation on key aspects and implementation details of the reforms through one-on-one consultations with stakeholders and meetings of the peak consultation group.

The proof is plain to see that the government has not been listening, as many key industry stakeholders, including the Association of Financial Advisers, have advocated that these FoFA bills be rejected.

The committee was advised time and time again that this legislation would cause huge additional costs, reduce employment levels in the industry and, for consumers, ultimately reduce the availability and access to quality advice. The Gillard Labor government did not listen to the Australian public when they implemented the world's biggest carbon tax. The Gillard government did not listen to the mining industry when they decided to impose the very damaging Minerals Resource Rent Tax. And the Gillard government are not listening now to the industry of financial advisers. As a result, the industry is quite rightly very worried and concerned about how these reforms will affect their businesses and how much these changes will cost them and, most importantly, their clients.

One of the most fundamentally concerning aspects of this bill, as noted by the coalition's dissenting report, is that the government has not prepared a proper regulatory impact statement for the actual effects that these reforms will have on the industry. Providing a proper impact
statement is supposed to comply with the government's own best practice legislation requirements, and the government has again failed to meet its own standards.

With the erratic development of these bills—for example, the additional introduction of the further future of financial advice bill on 24 November 2011—the government has not provided adequate assessments of what these reforms will mean for the financial advice industry. In a Senate committee, Senator Mathias Cormann asked Mr Jason McNamara, the Executive Director of the Office of Best Practice Regulation, whether the government had enough 'adequate information to assess the cost benefit of the FoFA regulation changes'. Mr McNamara said that the government did not have such information. Senator Cormann then asked Mr McNamara whether the proposal to introduce a mandatory opt-in requirement was 'properly assessed'. Again, Mr McNamara agreed that it was not in fact properly assessed. Quite frankly, that is alarming. Clearly, it is yet another indicator of the dysfunctional nature of this Labor government. The government needs to take up the first recommendation of the coalition's dissenting report that the parliament defer the legislation until a regulatory impact statement is submitted that complies with the Office of Best Practice Regulation.

Unfortunately, the government's lack of attention to detail with respect to these bills gets worse. The Assistant Treasurer and the Minister for Financial Services and Superannuation tried to go further to force these bills through parliament without due consideration and consultation by parliament. As circulated by the government for the week of 13 to 16 February, they attempted to bring the FoFA legislation on for debate in parliament before the Parliamentary Joint Committee on Corporations and Financial Services had actually been able to deliver its report, recommendations or dissenting report. Again, this is evidence that the government is not serious about fulfilling the most fundamental role of parliamentary committees or following appropriate parliamentary and legislative processes. The consequence for the Australian people is legislation that does not receive sufficient consideration or deliberation. However, as I mentioned, the coalition have now released their dissenting report, which provides a robust assessment of the failings of this bill and the failure to fully deliberate on many of the proposed reforms. Regretfully, Mr Deputy Speaker, there is yet another example of the government failing to consult, this time regarding retrospective fee disclosure statements. While the government did suggest prospective fee disclosure statements—that is, for new clients and new customers—such a recommendation was never in the report of the Ripoll inquiry, and it was pointed out by many people to the Parliamentary Joint Committee on Corporations and Financial Services that the government had not discussed it at all with the industry. Mr Richard Klipin, the Chief Executive Officer of the Association of Financial Advisers, expressed it very succinctly when he said:

Fee disclosure statements were never part of the conversation and never part of the consultation.

The first time anyone saw a proposal of retrospective fee disclosure statements was when the minister tabled the proposal in October 2011. Regarding the opt-in proposal, there are serious concerns that this measure will merely increase red tape in the industry and add further costs at every stage of client-customer interaction. Treasury was unable to advise whether any other country in the world has enacted an opt-in requirement, and that is because there is no precedent for a measure of this kind. Forcing Australians to
re-sign contracts with their financial advisers on a regular basis will have no appreciable benefit for clients, as there is already the opt-out feature. At present, if someone is unhappy with the service being provided they can decide to terminate their contract at any time, in most cases without any loss. It does not make sense to force them to re-sign a contract if their preference is to stay with that same financial planner. They can fill out a form to change who handles their super or to cancel an insurance contract. They can call their adviser, tell them they are not happy with the situation and go to someone else.

All this opt-in measure does is add another level of administrative burden—something which the members opposite always seem eager to do—for questionable benefit. For example, this bill creates a government mandated maximum time frame, during which consumers have 30 days to submit their opt-in agreement, whether it be to enter, renew or revise an agreement. Many Australians may inadvertently fail to comply with the government mandated maximum time frame of 30 days to submit their opt-in agreement. Considering the very technical language and careful consideration required before entering into an agreement, as noted in public hearings by the Financial Ombudsman Service, it is not difficult to foresee that many arrangements will by default cease to exist even if a client genuinely wishes to continue an agreement. This will create uncertainty and ramifications for the industry and their clients. Again, I encourage the government to remove this measure from their bill.

An additional ramification which concerns financial service providers is the cost and timing of implementation. We are debating today structural changes to an industry. It is proposed that these changes come into force on 1 July 2012, fewer than four months away. I have spoken to some certified financial planners in my electorate of Ryan, and they told me bluntly that it will be impossible for them to comply with the planned implementation date of these reforms by 1 July. All firms will need to spend a considerable amount of time, energy and money to change the fundamental structure of their business in only four months. They will have to retrain staff, change their IT systems and spend a considerable number of non-earning hours to make changes—and, I ask the government: for what appreciable benefit? As a result of rushing the implementation and of the increase in red tape and bureaucracy, the Financial Services Council has estimated that the regulatory impact of this bill will amount to approximately $700 million as the cost of upfront implementation and to a further $350 million annually. This government should know that when you suddenly impose an artificial increase on input costs only the very big businesses will be able to absorb the costs or pass them on to their customers. Many financial planners from smaller firms have commented to me that the industry super funds will be very happy with this arrangement because their smaller competitors will be unable to cope. These bills are very likely to cause a concentration of advice providers and ultimately reduce the competition and choice available for consumers.

Ultimately, the two fundamental proposals behind the bills are, firstly, to increase transparency in the industry and, secondly, to increase the access of consumers to quality advice. These two intentions will simply not be achieved and will in fact make it more difficult for consumers to access appropriate financial advice. The government should instead listen to the very constructive recommendations made in the coalition’s dissenting report. I encourage the
government to take on board the 16 recommendations and to listen to the industry so that they can get the policy balance right in this area.

It is absolutely crucial that the government goes back to the drawing board with these bills. When a government is trying to introduce important reforms that affect so many, it is imperative that such regulatory changes go through the proper process. I will always support sensible reforms which increase trust and confidence in the financial services industry. I will always support measures to increase transparency, measures to increase choice and measures to increase competition. However, I cannot support reforms which have negative impacts and ramifications. As such, I recommend that the House reject the bills before us.

**Mr STEPHEN JONES (Throsby) (19:50):** I am pleased to speak today on the Corporations Amendment (Future of Financial Advice) Bill 2011 and the Corporations Amendment (Further Future of Financial Advice Measures) Bill 2011, which will provide better protection for consumers and encourage more Australians to seek financial advice. My starting point in matters such as this is with three simple propositions. The first proposition is that if somebody is going to charge a fee for service it is not unreasonable that they should get permission to charge that fee. The second proposition is that, if somebody is providing a service for which they may have some conflicts of interest, at the very least they should disclose those conflicts of interest, particularly where they are receiving a commission for the provision of that service and the service may not completely align with the interests of the person to whom they are providing it. The third fairly simple and, I believe, not unreasonable principle that I approach this matter from is that if a person's life savings are at risk then you should tread with care.

The financial advice industry in our country has been growing rapidly. In 2009, according to ASIC, retail funds under management stood at about $515 billion and the average annual growth rate for retail funds under management over the five years to 2009 was a very healthy 18.2 per cent. Compulsory superannuation, a policy innovation of the Labor government, has made an important contribution to this growth, and we can expect this trend to continue as the superannuation guarantee increases from nine per cent to 12 per cent—and we hope fervently that that legislation passes through the house in another place later this evening. The bills before the House today form a key part of the Gillard government's future financial advice reforms. These reforms not only will facilitate consumer access to advice but, importantly, will aim to improve the quality of that advice. The reforms will see consumers receiving financial advice that is in their best interests—that is, in the best interests of the consumers—rather than see consumers directed to products due to incentives or commissions offered to a particular financial adviser. These reforms recognise that financial advice can be distorted by incentives. The reforms will also ensure that it is simply unacceptable for advisers to place their own interests ahead of the interests of their clients in any circumstances.

The reforms are important. We need to rebuild consumer trust and confidence in the industry, a lot of which was lost in the wash-up of corporate collapses like Storm Financial, Westpoint and Trio Capital. Unfortunately, I know from firsthand experience, from constituents in the Illawarra and the Southern Highlands who have lost hundreds of thousands of dollars in their
superannuation savings, there is much work to be done to rebuild confidence in the financial-planning industry.

As is known by many in this place, in December 2009 financial services firm Trio Capital was placed under external administration. This occurred following numerous breaches of Trio Capital's limited licensing conditions and following Trio Capital not being able to satisfy APRA's concerns regarding the valuation of its superannuation assets. The collapse of Trio/Astarra had a devastating impact on investors, particularly those in self-managed funds. I had the unfortunate duty to sit in my electorate office and hear the terrible stories from many of my constituents who have lost their entire life savings because they had them invested in self-managed funds in Trio/Astarra—self-managed funds that were recommended to them by their financial planner.

In the Illawarra, many locals put their trust in the advice provided to them by financial advisers Tarrants. We will never know the exact amount of funds lost, but it is estimated to be somewhere between $40 and $45 million. I am advised that Ross Tarrant received in excess of $840,000 in commissions for putting his clients into Trio. Those commissions were never disclosed to the clients of Trio. The clients lost their dough and the adviser made $840,000 in commissions. Most of the victims of the collapse of Trio, clients of Mr Tarrant, had absolutely no idea what the risks of entering into a self-managed superannuation fund arrangement were. They were assured by Mr Tarrant that these investments were secure. They only found out that this was not true in the hardest possible way.

Relevant to the bills before the House today, Mr Tarrant's clients knew nothing about the commissions he was receiving for putting them into Trio. I have already advised the total amount of those commissions—he received 3.3 per cent for each investment in Trio, as well as 1.95 per cent in annual fees for the advice he gave to clients. This advice, just like the investments, turned out to be worse than worthless. Many of my constituents have asked me: 'How could this happen? How could this be possible? How can we have a system that allows financial planners to get away with this type of behaviour?'

Despite the magnitude of the financial devastation that hit these unfortunate Trio investors, I believe that there are many, in fact the majority of, financial planners and advisers who, unlike Tarrants, give the interests of their clients the priority that those clients are paying for. They provide professional advice. It is important that we as legislators ensure that the legal framework surrounding this industry is robust and provides the best standards of consumer protection possible. We make absolutely no apology for bringing forward legislation, like these bills, that puts the interests of the consumers first.

Schedule 1 to the bill amends the Corporations Act 2001 to implement part of the government's Future of Financial Advice reforms. The underlying objective of the reforms is to improve the quality of financial advice while building trust and confidence in the financial planning industry through enhanced standards which align the interests of the adviser with the interests of the client and reduce conflicts of interest.

In addition to this bill, there will be further legislation which will implement other key components of the FoFA reforms, including the best interests duty and the ban on conflicted remuneration structures. The FoFA reforms represent the government's response to the inquiry by the Parliamentary
Joint Committee on Corporations and Financial Services into financial products and services in Australia, the PJC inquiry. The bill contains two measures to enhance consumer protection and to instil in consumers more trust and confidence in financial planning through improved professional standards, greater transparency for clients and more effective power for the regulator, ASIC.

First, the bill sets in place arrangements which require financial advisers to obtain their retail client's agreement in order to charge them ongoing fees for financial advice, that is, the opt-in requirement. That conforms with the first of the principles that I spoke about in the introduction to my contribution, which is that if you are going to charge a fee for a service it is not unreasonable to get permission, and to get permission regularly, from the client to charge that fee. Currently, there are some clients of financial advisers that pay ongoing fees for current financial advice who receive little or no service. Some clients are also unaware of the amount of those fees. This is occurring despite the fact that most ongoing advice contracts allow a client to opt out at any time. The initial disclosure of ongoing advice fees does not assist as the disclosure is not ongoing.

Under the proposed arrangements, the basic requirement is that advisers must obtain their client's agreement to renew at least once every two years, as well as giving clients a fee disclosure statement at least once every 12 months. The renewal notice empowers a client to renew or end the ongoing fee arrangement, and if the client does not respond to the renewal notice they are assumed to have terminated the advice relationship and no further fees can be charged by the adviser. If an adviser breaches by overcharging after a client has not opted in, they could be subject to a civil penalty. The maximum amount of this penalty, which is lower than others in the Corporations Act, reflects the tailoring of the penalty to the nature of the offence. There is also flexibility as to when and how advisers obtain the renewal notice. The bill also provides additional grace periods—

The DEPUTY SPEAKER (Mr KJ Thomson): Order! It being 8 pm, the debate is interrupted with accordance with standing order 34. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting. The member for Throsby will have leave to continue speaking when the debate is resumed.

PRIVATE MEMBERS' BUSINESS

Wild Rivers (Environmental Management) Bill 2011

Debate resumed on the motion:

That this House:

(1) notes that since the Wild Rivers (Environmental Management) Bill was first introduced on 8 February 2010, it has been referred to the following committees:

(a) the Senate Legal and Constitutional Affairs Legislation Committee which commenced its inquiry on 25 February 2010 and reported to the Senate on 22 June 2010;

(b) the House Standing Committee on Economics which commenced inquiry on 17 November 2010 and reported to this House on 12 May 2011;

(c) the Senate Legal and Constitutional Affairs Legislation Committee which commenced its inquiry on 24 March 2011 and reported to the Senate on 10 May 2011;

(d) the House Standing Committee on Agriculture, Resources, Fisheries and Forestry which commenced its inquiry on 15 September 2011, was due to report to the House on 2 November 2011 and is yet to table a report; and

(e) the House Standing Committee on Social Policy and Legal Affairs on 24 November 2011
with a reporting date which is yet to be determined;

(2) expresses its concern that despite the unprecedented scrutiny for a private Members’ bill this House is yet to have the opportunity to vote on this bill;

(3) notes that Noel Pearson and the Cape York Institute have called for traditional owners of land on Cape York to have more control over the way the land is used; and

(4) calls on the Government to allow the members of this House to exercise their vote on this important bill.

Mr ENTSCH (Leichhardt—Chief Opposition Whip) (20:00): I very strongly support the motion put forward by the Leader of the Opposition earlier today in relation to the Wild Rivers (Environmental Management) Bill 2011. The wild rivers bill was first introduced on 8 February 2010. It is now over two years later. There have been five separate committee inquiries into this bill. The first inquiry was held by the Senate Legal and Constitutional Affairs Legislation Committee on 25 February 2010. Then it went to the House of Representatives Standing Committee on Economics in November 2010. There was a further Senate Legal and Constitutional Affairs Legislation Committee inquiry in March 2011 and the House of Representatives Standing Committee on Agriculture, Resources, Fisheries and Forestry held an inquiry which commenced on 15 September 2010—and I know that in that case committee members were asking why this had been put to them and complaining that, in their view, it was an absolute waste of the committee’s time and absolutely frivolous. It then went to the House of Representatives Standing Committee on Social Policy and Legal Affairs on 24 November. This is for a bill which is only five pages in its entirety.

All we are asking in this bill is for Indigenous Australians in Cape York to have the opportunity to make decisions about land of which they have been custodians for the last 40,000 years or more. But, in an effort to avoid going to a vote, the government continues to just dump it into one committee after another. It shows you the absolute lack of respect they have for Indigenous Australians. I often see the Leader of the House standing in here beating his chest about the number of pieces of legislation the government has got through this parliament. But it is interesting to note that, if anything comes up that they are not likely to get support for, they do not put it to the vote—I refer to the Migration Legislation Amendment (Offshore Processing and Other Measures) Bill 2011. We are still waiting for that to be reintroduced into the parliament, as we are with the wild rivers bill.

The sad thing is that this is having a profound impact on people in Cape York, both Indigenous people and non-Indigenous people. This legislation was originally bulldozed through by the state government. They clearly did it because they were totally beholden to the Greens through the Wilderness Society and to shore up the exchange of preferences, particularly in the south-east corner of Queensland. We are seeing exactly the same thing from this current government. They are doing exactly the same thing. It does not matter what the impact is on the people living in this area. They do not give any consideration to the fact that these people have managed their own country now, as I said, for some 40,000 years. They have decided that what they need to do is introduce some sort of a motherhood policy which will do nothing more than patronise the local Indigenous population.

I can assure you that the Cape York community generally is absolutely outraged by what is happening here insomuch as it is robbing them of the opportunity to speak on
the future of their own country. It is robbing them of the opportunity to consider economic futures for their children. Over the last couple of decades, there has been a real campaign, a real push, to enable Indigenous people to start to recover some of their own country and it has been very successful. Unfortunately, some of the largest leaseholders in Cape York are now in a position where they have no capacity whatsoever to make decisions in relation to the land—because of a grubby deal between the Wilderness Society and the state and federal Labor governments.

Another recent impact of this wild rivers legislation was the shelving of Cape Alumina’s $1.2 billion bauxite mine at Pisolite Hills in Cape York. It had to be shelved as a result of the Wenlock River being declared a wild river. This project would have created about 1,700 jobs and 1,300 of those jobs would have been in Far North Queensland. Many of those jobs would have been in Marpuna, or Old Mapoon, a community north of Weipa. The project was also going to see the creation of a village in the area. Once the mining lease had been completed, the intention was for that village to be handed over to the local people as a lodge. That opportunity has been taken away from these people. This community, like many others in Cape York, have had to struggle for any sort of employment opportunities. It is an absolute disgrace that this government continue to treat Indigenous people in the manner in which they have been. We need to bring the bill on without any further delay.

In recent times, we have seen individuals from both state and federal governments going to Cape York and looking at buying support, if you like, through the rangers program. It is a bit like the old days of baubles and beads, where they offer a number of financial incentives to get individual family groups to come in behind them and support them, or to sign letters of support, and they are offered a whole range of financial incentives to do so. It is very cynical and it is creating a very false impression that there is much broader support for this legislation.

This motion is all about giving traditional people in Cape York an opportunity of having a say in their own future. It is not about throwing the legislation out. I hope that that will happen after this Saturday, 24 March. I hope and expect with a new LNP government in Queensland that the new Premier Campbell Newman and the very good state government representative David Kemp will keep their promise to the Indigenous people and to all Cape York people that they will throw out the wild rivers legislation and give the opportunity back to the local people to make decisions in relation to their own future and to be part of their own land.

They will also make sure that those people who have been engaged as wild rivers rangers will go into the national parks that have been acquired by the state government over an extended period of time—and operated without any management plans and of course without any staff. There will be lots of opportunities for these rangers to hone their skills and to start to control their land. Up until now, the management has been tokenistic on the part of both state and federal governments.

In conclusion, I think the state government will turf out the wild rivers legislation after 24 March. But we need the opportunity of bringing on the vote here before this parliamentary session is completed. I think it is only fair that we have the parliament make a decision on whether we can be committed to giving some level of support to Indigenous people and to do it in a
Mr HUSIC (Chifley—Government Whip) (20:11): The member for Leichhardt referred to false impressions. If there is any false impression, it is being generated by those opposite. Quite frankly, it is outrageous that they suggest that it is because of the substance of the issue, that we have a problem with the way they have attempted to pass what they are proposing. On three occasions changes have been made by those opposite to this bill. All have been referred to other committees for consideration. This bill has been brought forward three separate times since February. Even though the Leader of the Opposition is quick to point out there have been five separate committee inquiries into this bill, he does not mention that they have changed the legislation on three separate occasions.

The government cannot support the Leader of the Opposition’s motion because what is being proposed is plagued with a variety of drafting problems, as the Chief Government Whip indicated today, and with a series of provisional changes that all fail to simply address the real barriers to economic development in Cape York and western Queensland. Also, it is a bit churlish for the member for Leichhardt to suggest that nothing has been done to advance the issues of Aboriginal and Torres Strait Islander people when we have made significant commitments and harnessed all levels of government. Only a few weeks ago, the Prime Minister delivered an update to our Closing the Gap strategy, which attempts to get all levels of government, regardless of politics, focused on these issues.

We are not going to have the types of problems that have been experienced as a result of those opposite being unable to put forward a sturdy bill to this place, and we are not going to have that dressed up as some sort of indifference to the issues of the people we are seeking to help. Each version of the bill has had different content and different clauses from those opposite, and each attempt has been riddled with serious drafting problems which have required close scrutiny. The Leader of the Opposition would have the people of Australia believe that this bill has been buried because of institutional go-slow. Every time a different version has come forward, it has to come up for debate.

Frankly, sitting on the Selection Committee I have seen firsthand the abuse of the committee’s process. The standing orders introduced to this place subsequent to the 2010 election were designed to change the way we operate and to allow for greater scrutiny of bills. I for one am very supportive of that and I know there are others who are supportive of it. But you cannot have a situation where every single piece of legislation that is being proposed is referred to a parliamentary committee. This is not being done for the sake of scrutiny. This is being done as a deliberate act of vandalism by those opposite, who seek to frustrate the legislative timetable and process, all in an attempt to demonstrate—mistakenly, when you look at our record of getting legislation through—that the House is not working and not getting legislation through or that there are delays when, frankly, that is not the case.

For instance, another piece of legislation—the R 18+ video games classification legislation—was successfully passed through the House after 10 years of study and 54,000 public submissions—probably the greatest number of submissions received on a piece of legislation. The opposition had sought to refer that legislation to a committee yet again. After consultation...
with all the attorneys-general in the country, after going through COAG, after repeated studies and committee inquiries, at the last minute being referred again by the opposition. The only reason they relented was the realisation that this had been examined to the nth degree. They recognised—and I credit them for it—that it had been over-examined, and it had been allowed to be debated on the floor of the House.

Again, we have a situation where these processes are being abused. The consequence of this is that, if legislation such as we are debating now is proposed, it cannot be given adequate time because of the backlog of legislation inquiries being undertaken by the various committees. I see this, for instance, in the Standing Committee on Infrastructure And Communications, of which I am a member, where a number of bills are being rolled in for inquiry after inquiry after inquiry. I noted a few weeks ago that the member for Kennedy had circulated a letter raising his concern about resourcing of the Parliamentary Library—a serious issue. But what the member for Kennedy did not mention in his letter—and this is not a criticism of him, but it was noteworthy—was this: if committee workloads suddenly go through the roof because those opposite decide, not in the interest of scrutiny but of parliamentary tactics, to refer every single piece of legislation to committee, then the resources of the House come under pressure. We will see more and more of the type of things the member for Kennedy raised.

What are we supposed to do? Those opposite want to indulge in parliamentary tactics and force these bills through to committee. We are expected to tolerate that. This is an abuse of the process and we are seeing it here today, with those opposite chopping and changing their minds, unable to come up with the right clauses, unable to put a competent bill forward and then trying to mistakenly, wrongfully and improperly—

An opposition member: You're going to need a shower after this speech tonight!

The SPEAKER: Order! The Chief Opposition Whip was heard in silence and the member for Chifley will be afforded the same courtesy.

Mr Husic: Thank you, Mr Deputy Speaker. It just comes with the territory. They cannot stand the heat of criticism of anything that they do, but we have to cop the type of contribution made by the member for Leichhardt tonight—and we are also forced to cop an abuse of the Selection Committee process and not say anything about it.

I think it is important that we find balance. I have absolutely no problem with the opposition referring bills that it believes need scrutiny. I think it is a good process and I think it is what we should do. But bear in mind also that the House of review is another place. This is the House that instigates the bulk of legislation and, more often than not, it is subject to public consultation. People have an opportunity to have their say. We, as House of Representatives members, have constituencies where we are required to deal with those very real concerns in a way that the representatives in that other place are not. We have to be mindful of balancing our representational role and our role in review. That is the problem that we have: all this legislation is being put through to committees for inquiry and it is putting a strain on the operations of this place.

From seeing the contributions of the opposition's representatives on Selection Committee, I might add that moderation has started to occur in recent times. We do not know if this is going to be something long lasting or if it is just a pause in the approach undertaken by those opposite. I certainly
hope that it will be a fundamental change in
the approach used by those opposite because
the type of arrangement we have confronted
to date is not sustainable.

Returning to the bill, I have discussed the
abuse of the Selection Committee process by
sending every bill through to committee
without identifying upfront any of the bill's
faults or strengths or any of the issues those
opposite might actually want to inquire
about. The first version of the bill we are
debating was considered in February 2010
by the Senate Legal and Constitutional
Committee, which recommended it not be
passed. The second version was introduced
in November 2010 in this House and in
February last year in the Senate. Each time,
it was found that these were just rehashes of
the bill and they simply did not cut the
mustard. If we are going to undertake these
considerations we should do so in a thorough
way, but not in the way that is being
proposed here today.

Mr LAMING (Bowman) (20:21): In this
sorry debate tonight, we see a government
giving appalling explanations for their delay
on the wild rivers legislation. We see these
four Labor members representing their entire
side of government—the members for
Chifley, Shortland, Page and Fowler—and I
do not even know if these four members
have been to Aurukun. These four members
would only turn up in an Aboriginal
community if their plane ran out of fuel—

The DEPUTY SPEAKER: The member
will return to the motion or he will sit down.

Mr LAMING: They are four MPs who
would only turn up in Aurukun, an area
critically affected by this appalling
legislation, if their plane ran out of fuel or
there was a plaque to be unveiled—

The DEPUTY SPEAKER: The member
for Bowman can stop reflecting on

individuals and talk to the motion. I am over
people using this time as a rant.

Mr LAMING: That is the only time you
would see them turn up to understand the
implications of this bill.

We are talking about the use of river
catchments. We are talking about the
economic impacts upon Aboriginal Australia
and Cape York and, as was so eloquently put
in Balkanu's submission to this very inquiry,
the notion that this is wilderness and wild
simply betrays the lack of understanding that
this government has of the economic desire
of the people of Cape York to have a real
chance at a job and a real chance at joining
the global economy.

But this is a government determined to
back up their Queensland counterparts who,
for the last five years, have lamented the lack
of consultation around the Northern Territory
intervention. But what consultation was there
for this Wild Rivers Act in 2005? In January
they came up with a parliamentary paper, in
February an explanatory memorandum and
by 24 May had rammed this through the
Queensland Parliament, which has no upper
house of review. That is that government's
record of consultation. It is appalling. And,
then—given just one chance by this
opposition to remedy these errors, to take, as
Pearson has said, the foot off the throat of
people living in Cape York—we had this
appalling diversion of this legislation, and,
whatever the procedural excuses made by the
speaker before me, an appalling delay of
years and years.

Is this a government that cares about
economic development? Do they care about
the complex interplay between economic
development, the environment and
generational equity? Of course not. These are
the principles of sustainable economic
development, the principles developed by the
world conservation union. We have seen
them used in COAG. But no. This bill goes so much further, to rip away from Cape York residents, Aboriginal traditional owners—who are considered as nothing other than unrelated third parties under this legislation—the chance to join the real economy. Within a kilometre of a major waterway there is not even a chance to engage in aquaculture; not even a chance to build anything more than a fence, a track, a road or a fire break without justifying that that piece of infrastructure is both absolutely necessary and can be put in no other location. I mean, what chance is there of having tourism in Cape York under those circumstances?

We have vegetation management acts, through which this legislation is read, that virtually prevent a weed from being pulled, for Aboriginal Australians to have a chance of joining the real economy, generating real jobs and real enterprise. This flies in the face of all of the work done in the reforms to welfare, where we here in Canberra have reached out a hand and said, 'Join the real economy through positive social norms, through paying your rent, through building and owning your own home, sending your children to school and then having a chance to take your own traditional lands and generate some form of employment and economic activity.'

To have the last 8½ minutes of that 10-minute speech devoted to pallid excuses only reminds me that this Saturday, as Churchill said, the era of procrastination will come to an end. Your half measures, your baffling expedients—it is all going to come to an end this Saturday. We will have a new Queensland government. And if this side of the parliament does not have the heart to act on behalf of Aboriginal Australians then the new Queensland government will do that and they will unravel this grave injustice.

I do not care how many green groups say that the economy is not hurt by this legislation. The Aboriginal people are telling us that, and all we ask is that Aboriginal elders, through the bill moved by the Leader of the Opposition, can have a say in this dialogue; through the principle of subsidiary, give them a chance to have a say about their own land. But no. Thanks to this collaboration between Canberra and the soon-to-be-departed ALP government in Queensland, what we have is: standing up for green preferences, for the things that work in Ashgrove over the things that work in Cape York. And to leave Cape York exposed like that is a dreadful shame that this Labor government will bear. (Time expired)

Ms HALL (Shortland—Government Whip) (20:26): I rise to speak to the motion. The motion we have before us today is nothing but a political stunt. It is not about wild rivers. It is not about the motion whatsoever. And the contribution from the previous speaker showed to me that he had not read the motion. He said 'we have got one chance' to vote for and get this wild rivers bill through the parliament. Well, could I tell the member for Bowman: this is the third version of the wild rivers bill that the opposition has introduced between the House and the Senate. They could not get it right. Three different versions, each with different contents, and each with different clauses. One chance? Well, I think there have been three chances and I am still not convinced that they have it right.
The motion we are looking at tonight talks about delays in consideration of the wild rivers legislation. I put to the House that a considerable amount of delay has been caused by the opposition's ineptitude—the fact that they cannot get it right. The Leader of the Opposition is the person who sponsored this legislation that has been put to the parliament and which has been sent off to committees, because it really does need to be looked at. Any legislation that is obviously so inept and has needed to have so many changes obviously needs the highest level of scrutiny, and I have little confidence that the ad hoc changes that have been made along the way in this bill will actually fix it up. It is right that it be looked at by the committee.

The latest—and I emphasise 'latest'—bill was referred by the parliament to the Standing Committee on Social Policy and Legal Affairs for consideration. The committee has not yet reported on the bill and it is not appropriate for the Leader of the Opposition to try to force this bill to a vote. He is trying to circumvent the process that has been put in place.

I might just share with the House, as a member of the Selection Committee, that members of the opposition constantly refer legislation to committees, and I am quite convinced that they do not even know why they are referring the legislation. I think that they just do it to delay legislation passing through the parliament. One piece of legislation that was referred to the Economics Committee and reported in this House was the mid-term budget appropriations legislation. If there is any legislation that is really examined carefully before it is put to the parliament it is that legislation.

This is all about playing politics—playing politics with Indigenous Australians. This is not about improving the lives of Indigenous Australians in Queensland; this is about playing politics with the lives of those Indigenous Australians in Queensland. This bill seeks to overturn the Queensland wild rivers regime and is pure politics—politics, politics, politics. We got an insight into those politics when we heard the member for Bowman talking about the Queensland election; the Queensland election is why we are debating this tonight in the parliament. This is bad legislation that has been poorly thought through. It has been sent to committees—and, I might add, three separate pieces of legislation have been sent to committees—because the Leader of the Opposition could not get it right. Well, if the Leader of the Opposition cannot get it right, that shows you the strength of those sitting on the other side of the parliament. This motion deserves to be thrown out of the parliament. It does not even deserve to be considered. I in no way support this legislation. (Time expired)

Mr TEHAN (Wannon) (20:31): I rise in support of the Wild Rivers (Environmental Management) Bill 2011, and I note that I have spoken in this place on this bill before. I used an adjournment debate to talk on this bill because of what I saw as a complete abuse of process. I saw the Labor Party shamefully playing politics with an issue that all Indigenous Australians have an especially strong interest in, particularly Indigenous Australians from Queensland.

The reason I became aware of what was occurring on this bill is that I am a member of the Standing Committee on Agriculture, Resources, Fisheries and Forestry. This bill was referred to that committee by the Selection Committee. When it was referred to that committee, every member queried why it had come to us. Upon investigation it became very clear that the bill had been sent to us as a stalling practice—as a way of deferring its coming onto the floor to be
voted upon. The Leader of the Opposition has introduced this motion today so that we can see where everyone stands on this wild rivers bill before the Queensland election. There is no doubt that if we get the right result this coming Saturday this will be the end of this issue. I think every Queenslander—and in particular all Indigenous Queenslanders—will be extremely grateful that that has occurred.

I want to return to the playing of politics with this bill. The Selection Committee has referred this bill not once, not twice, not three times, not four times but five times to different committees. No other private member's bill in this place has been referred five times. The process was meant to enable the sun to shine in, was meant to put an end to petty politics and was meant to lead to being able to have substantial debates on issues of importance to members of this chamber. Instead, we have seen a blatant abuse of process by the members of the Selection Committee. That is why I am standing here, for the second time, talking about this. I used an adjournment debate to do it, but I was also very keen to support the Leader of the Opposition. His intentions in acting on this are because he knows and understands Indigenous Australia. It is absolutely shameful that we have not been able to see where everyone in this chamber stands before that happens. (Time expired)

Ms SAFFIN (Page) (20:36): I am going to respond directly to what the honourable member for Wannon said in his contribution, on two points. He is talking about what happens in Queensland on Saturday. What happens in Queensland on Saturday is not the reason I am talking to this particular issue before the House tonight. But on that point I can say that the Leader of the Opposition and the Queensland LNP are all over the place when it comes to wild rivers. The Queensland LNP have said that they would overturn wild rivers declarations in Cape York but 'have no plans to repeal or replace any of the wild rivers declarations in western Queensland'. That was from 'LNP safeguards Wild Rivers', a statement from Andrew Powell MP, shadow minister for environment, 15 Feb 2012. So, before the honourable member for Wannon comes in here with wild accusations, it is better that some of the facts get put straight.

The other issue that I want to address was raised in the contribution by the honourable member for Bowman when he impugned me and my colleagues who were speaking here tonight for laying claim to righteousness in matters pertaining to Aboriginal and Torres Strait Islander peoples and issues. That is a
big claim for anyone, and I would caution him to think very carefully before he makes such a claim. The honourable member for Bowman also impugned us by way of saying that we had not visited certain communities, as if that were somehow a test and that we lack understanding because we have not visited certain communities. Again, without going too far down that track, I would caution him about making such unsubstantiated claims. It really is a spurious accusation without substance. When you are reduced to arguing like that, you are not really addressing the issue at hand.

The other issue relates to the honourable member for Wannon and his statement that this bill has been referred five times. This bill is actually three bills, with one subject matter, in different forms. Yes, it has done the rounds of referrals and it has been referred to various committees, but it keeps changing. It is the third version of the wild rivers bill that the opposition has introduced. Between the House and the Senate, there have been five goes at the bill. There have been three different versions of the bill—each with different contents, each with different clauses and each with significant drafting and operational issues. A previous version of the bill has already been rejected by the Senate. Despite this, the Leader of the Opposition is pursuing his current version of the bill, and this latest version should be subject to higher scrutiny. It is a complex and significant area of law and it should not be dealt with in an ad hoc way.

There have been a lot of comments on both sides of the chamber tonight about politics. Yes, politics does feature in this place and sometimes we hurl it across at each other as though that is rather surprising. It is not surprising, because there are substantive issues to deal with here with wild rivers, but there is a whole lot of politics around this, and that is what is being played out here at the moment. That is why this bill requires careful consideration by a parliamentary committee.

The bill also goes to the nature and the heart of native title. That is something that took a lot of years to get a framework and laws around, which processes and issues were to be developed, and it is something that would be better dealt with other than by way of a private members' committee. However, it is our right as members of parliament to do that.

The bill, in its latest version, was referred by the parliament to the Standing Committee on Social Policy and Legal Affairs for consideration. The committee has not yet reported on the bill, as I understand it. It is not appropriate at this stage to try to force the bill to a vote before the committee has reported—and, yes, that can happen in this place. To force the bill to a vote is not appropriate—it is unprecedented and shows some disregard for the processes in this place. The Senate Legal and Constitutional Affairs Committee considered this bill and its report identified a range of drafting and operational issues and recommended that it not be passed. (Time expired)

Mr TUDGE (Aston) (20:41): Earlier today we rightly reflected upon the life of Dame Margaret Whitlam, who tragically passed away quite recently. In doing so, we also reflected upon the life of her husband, Gough Whitlam. When you think about Gough Whitlam and some of the enduring images of his tenure as Prime Minister, one of those images was from when he was out in the Northern Territory at Wave Hill Station pouring the local dust out of his hand into the hand of the local elder Vincent Lingiari. It was symbolic of the beginning of land rights for Aboriginal people, and an important piece of legislation was passed a year subsequent to that. Today, Mr Lingiari's
brothers from Queensland could well come back to this place with that sand and pour it into the hands of Julia Gillard. Such is the nature of the wild rivers legislation, which winds back the clock in relation to Aboriginal land rights.

People have been fighting for land rights for decades. They have been fighting for land rights, and I emphasise the term 'rights' because it is not just about having possession of the land but also about having use of the land and full ownership of the land, with all of the rights which go with it. The wild rivers legislation diminishes those rights. It is the first piece of legislation for a very long time in which those rights have been diminished and it is a disgrace that it is coming from this Labor government.

The motion in front of us here that we are debating is simply asking that we have a vote on a bill which says that no river will be declared wild unless the traditional owners of the land give their consent. That is all we are asking for. We are just asking for a vote to be held. We are not rushing the Wild Rivers (Environmental Management) Bill at all. In fact, this bill was introduced into this parliament over two years ago. In that two years we have had no fewer than five inquiries into this bill. This is not a long piece of legislation. It is only five pages and there is only one substantive piece to the five pages. That substantive piece says that if a river is to be declared wild, which has the effect therefore of reducing the use of the land in that river basin, that declaration must first have the consent of the traditional owners. It is a very simple proposition. It is a very simple one to understand. We are talking only about Aboriginal land itself here, so what is the problem with this piece of legislation? What is the concern from the other side of this chamber in relation to giving traditional owners consent, giving them a say over what they want to do with their land? Are those opposite seriously concerned that, after 50,000 years of looking after their land, tomorrow they are going to destroy it? Is that what they are concerned about?

If that is their concern, they should come in here and state that. Even if Aboriginal people do want to develop their land, why should they not have that right, just as we have the right to develop our land? Why should they not have that right? That is what those opposite have fought for over the last few decades. That is what Gough Whitlam was doing when he passed the sand into the hand of Vincent Lingiari. It was symbolising that, 'Mr Lingiari, you and your people now have possession and have the full rights of this land.' I think that if Gough Whitlam were looking down on this chamber today he would be disgusted by the acts of the Labor Party, because they stand for nothing. For decades they fought for the land rights of Aboriginal people, but today they wind back the clock and discard those values. The reason they do so is the grubby deal done with the Wilderness Society for preferences in Queensland in the upcoming state election. So when it comes to a challenge between the interests of the Labor Party and the interests of the most disadvantaged people in our community, who does the Labor Party side with? They side with the Greens and they side with their own grubby interests. It is a disgrace. We need to have the vote now.

Mr ZAPPIA (Makin) (20:46): I want to respond to a couple of comments that the member for Aston has just made about the views of the Whitlams. My response is that I suspect that you are absolutely wrong about what their perception of what is happening in this parliament would be. They would be applauding and supporting the government on the stand it is taking on the Wild Rivers (Environmental Management) Bill 2011.
More specifically, I want to respond to the comment that the member for Aston made which implied that this is 'a simple proposition where all we need is the consent of the traditional owners'.

Let me tell you about a simple proposition relating to the consent of traditional owners, and that is the matter of the uranium waste facility proposed for Muckaty Station. That was a 'simple proposition', using your words, whereby the Howard government sought the consent of the traditional owners to select the site and received that consent, and the matter is now before the Federal Court because it was not a simple proposition. In fact there is a debate taking place right now about who the traditional owners are, so do not for a moment let the House believe that these are simple matters. They are anything but simple matters and that is exactly why this piece of legislation needs to be properly scrutinised.

When it comes to dealing with Indigenous issues in this country, the record shows that they are never, ever simple. They are always complex and there is always a multiplicity of views in respect of whatever the issue is. If nothing else it should teach us a lesson that, when we are dealing with Indigenous issues, we need to carefully consider what we are doing and consider the recommendations that we finally come to.

It is interesting that this motion is being debated tonight, less than a week out from the Queensland election. It is interesting in listening to comments from members opposite how often they have referred to the Queensland election in respect of this motion. It simply highlights that this motion is not about the substance of the bill on the wild rivers that is before the parliament; it is purely a political stunt, using this parliament for political opportunism to create division in the communities in Queensland prior to the Queensland election on Saturday. That is all it is about.

As other speakers from this side of the House have quite rightly pointed out, this is the third occasion on which the Leader of the Opposition has drafted legislation on this matter. The member for Aston said, 'It is only simple legislation that is five pages long.' If it is only simple legislation that is five pages long, why has it taken him three efforts to try to get it right? On the first occasion it lapsed because we went into an election in 2010; fair enough. On the second occasion it did not lapse, and I understand that that piece of legislation is still before the Senate. It has never been dealt with, yet the Leader of the Opposition has chosen to produce a third piece of legislation, and members opposite question why the legislation has been referred to 'one committee after the other'.

It has been referred to one committee after the other because, firstly, we have had three different pieces of legislation to deal with and, secondly, members opposite cannot get their own legislation right. Yet they expect members of the House to walk in here and accept this legislation or support it or rubber-stamp it—whatever it is they expect, I do not know. The reality is that this is indeed complex legislation which quite rightly has been referred to one of the House committees. The House Standing Committee on Social Policy and Legal Affairs is currently looking at it and that is the right thing to do, and this House should not make a decision on the legislation until that committee has dealt with the matter. As chairman of the Standing Committee on Climate Change—

Debate adjourned.
MOTIONS

Afghanistan

Mr BANDT (Melbourne) (20:51): I move:

That this House calls on the Government to set a date for the safe return of Australian troops from Afghanistan.

There is no greater responsibility for any country's politicians than to make decisions regarding war and peace. War is the most destructive and violent power of government. It creates widows and orphans. It maims and destroys body and soul. It crushes societies and economies. This means that we should only engage in war when it is absolutely necessary and when it can be justified in the cause of peace. For a long time, the decision to wage war was seen as the prerogative of the executive. This monopoly on the decision to wage war was a hangover from the feudal era. War was a decision of kings. The democratic revolutions retained this concept of sovereignty and invested the war-making power in the executive. But the decision to keep this kingly concept of war was always contested.

The Australian Greens believe that the decision to go to war should be in the hands of the parliament and we will continue to press for this democratic reform. The United States ensures that congress needs to back a president's decision to go to war. Many other countries do something similar, including Germany, Spain, Denmark, Finland, Ireland, Slovakia, South Korea, Sweden, Switzerland and Turkey. And we should join them.

But, regardless of who sends our men and women to war, the onus is on us to look for every opportunity to return to peace. It is the responsibility of the Prime Minister and the government to make clear when a war will end. Now is that time for our Prime Minister. Now is the time for her to make a clear and unequivocal statement of when our troops will leave Afghanistan. Anything else leaves the Australian people and our troops in limbo. The onus is on the proponents of war to show why we should continue to risk the lives of Australian men and women for no purpose.

The original purpose of the war was to respond to the 911 attacks and to remove al-Qaeda. That has long been accomplished. And Osama bin Laden is now dead. The Karzai government in Afghanistan is in negotiations with the Taliban with the aim of creating a national government involving all sides of this conflict. In this context, what is the great purpose for which we fight? Even if the proponents of war are correct and the withdrawal of foreign forces leads to a return of the Taliban, what is the justification for keeping our troops there for two more years for the same result? How do we justify the death of our troops by holding on until the Americans decide to leave?

The new Minister for Foreign Affairs, Senator Carr, says we should remain in Afghanistan to protect women. Yet just this month the Afghan President Hamid Karzai endorsed an edict from the country's top religious council that confirms that women are inferior to men, sanctions the beating of women by their husbands in certain Sharia compliant circumstances and argues for greater segregation. Last month, the government that we are in there defending also demanded that women newsreaders wear headscarves. In 2010, the Karzai government in Afghanistan also passed a law which applies to the country's minority Shiite population and, in particular, to its women. This law allows police to enforce language that sets out a wife's sexual duties and restricts a woman's right to leave her own home. According to US reports, child custody rights still go to fathers and grandfathers, women have to ask before they
get married for permission to work and a husband is still able to deny his wife food and shelter if she does not meet his sexual needs. This is the government that we are told that our soldiers should continue to kill and die for.

It is now clear that the war in Afghanistan cannot be won, however you measure victory. It is now clear that the reasons successive governments have given to be in Afghanistan no longer stand up to scrutiny. It is also clear that, although our alliance with the United States is important, a simple request is not a good enough reason for our troops to fight and die in an unwinnable and unjustifiable war.

This is a decision we must make for ourselves as a country. It is a decision that other countries have made for themselves. It is time to bring the troops home safely and for Australia to shoulder the burden of Afghanistan's problems in a new way. And it is time to bring the troops home so that they can be honoured for their service. We should no longer ask them to carry out this unjustified task.

For the sake of clarity, it is important to note that the Greens do not oppose the deployment in Afghanistan based on any absolute opposition to the use of military force or from any lack of commitment to our troops. We led the call for military intervention in Timor Leste and are proud of the role our men and women played in the struggle for freedom and independence in that country. But already 32 young Australians soldiers have lost their lives and at least 218 have been wounded in action in Afghanistan. That is all the more reason why we should be having this debate.

No-one knows exactly how many people have died and been injured in the war in Afghanistan because, in those infamous words of the US military, 'We don't do body counts.' But we do know that it is in the tens of thousands. The appalling massacre this month was not an aberration. Nearly every other week there is another story of a massacre or accidental killing of civilians—more collateral damage in a war in which, like Vietnam, our troops find it harder to tell the difference between insurgents and non-insurgents.

This war has now been going on for over ten years, almost longer than World War I and World War II combined. We must remember that in the eyes of many of the people now fighting the coalition forces in Afghanistan this is a continuation of their fight to remove foreign forces from the country—a fight begun with the Soviet invasion in 1979. The Prime Minister said that this war may be the work of a generation. If coalition troops are there for another decade, a whole generation of boys and girls will have grown up knowing us only as an occupying force and as the enemy, and we must expect all the consequences that flow from that. On this, I think we should listen to Malalai Joya. In 2005, she was the youngest woman elected to the Afghan parliament. She condemned the warlords of whom the assembly was overwhelmingly comprised. Now, she says:

We are in between two evil: the warlords and Taliban on one side, and the occupation on the other. The first step is to fight against occupation—those who can liberate themselves will be free, even if it costs our lives.

Respected defence analysts have said that the process of training the army and police in Afghanistan has been far less successful than the government has made out and may never
be achievable. The desertion of personnel, infiltration by Taliban supporters and the quality of the troops and police all mean that very few are able to operate without coalition forces in support. According to some recent reports, the attrition rate far exceeds the number of new recruits. None of these problems have been acknowledged by the government, which continues to make the confident declaration that it is the 'Afghan government's determination that the Afghan National Security Forces should lead and conduct military operations in all provinces by the end of 2014'. It is important to note the careful language that is being used here suggesting that even by 2014 there may be no self-sufficient Afghan military or police, suggesting that we may be there for much longer. The former leader of the coalition forces in Afghanistan and current director of the CIA, General David Petraeus, summed up his thinking on the length of deployment in this way:

You have to recognize also that I don't think you win this war. I think you keep fighting … You have to stay after it. This is the kind of fight we're in for the rest of our lives and probably our kids' lives.

While we talk here of decades and generations, President Obama is reported to have responded to Pentagon requests for more troops by saying:

I'm not doing ten years. I'm not doing long-term nation-building. I am not spending a trillion dollars.

If the US is increasingly asking how much it will cost in lives and money to be successful, and indicating that it will not make that kind of commitment, why are we not doing the same? And what would count as success, anyway? Is it the maintenance of the Karzai government, described by David Petraeus as a criminal syndicate? As the Vice-President of the United States, Joe Biden, asked: 'If the government's a criminal syndicate a year from now, how will the troops make a difference?'

According to Australian defence analyst Hugh White, the real reason the Australian government has troops in Afghanistan is that the United States has asked us. That is why the Greens believe that we need a relationship with the United States that is strong but is based on autonomy and independence. The experience of the British in standing up to American pressure to take part in the Vietnam War was that it did not undermine the British-American relationship. Australia could still retain the support of the United States even if we pursued a more independent foreign policy. While others in the world are discussing exit strategies, Australia is continuing to write blank cheques. The Greens know what 64 per cent of the Australian public know: it is time to set a date to bring our troops home.

The DEPUTY SPEAKER (Hon. BC Scott): Order! Is the motion seconded?

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

Mr ROBERT (Fadden) (21:01): I rise to respond to the motion standing in the name of the member for Melbourne, representing the Greens party. I remind the parliament that, as we debate the motion, 1,550 of our men and women are engaged in combat operations in Afghanistan, let alone the further 800 in the wider Middle East area of operations. Right now it is 2.00 pm in Afghanistan. Special operations troops are moving through Oruzgan and neighbouring provinces. At least 10 mentoring taskforce patrols are out working with the Afghan National Army. Australian Federal Police officers are working with the Afghan National Police. Members of the provincial reconstruction team are working with a range of community groups, looking at community issues and programs. There are 150 officers
and senior NCOs working with a range of command elements. Trainers with the Australian artillery corps are working with the artillery school training Afghan gunners. Our men and women are working to achieve a better outcome in Afghanistan. They are working to achieve a land where stability becomes the norm, not the abnormal, and a country that can no longer be used by insurgent and terrorist elements as safe ground for harbouring, recruiting, financing and training criminal and terrorist elements.

In a spirit of bipartisanship, knowing that I speak for a majority of the parliament, I rise to say that our men and women should return safely to our land when the job is done—not before, not based on an arbitrary timeline, not on a troops-home-before-Christmas schedule and certainly not on the whim of the Greens party, which stands here and speaks of an unwinnable and unjustifiable war. I have said before to the Leader of the Greens: 'You stand and condemn all that we do in Afghanistan. If you have the courage of your convictions, go to Afghanistan, visit the troops, walk the ground and have a shura with the locals. Then you can speak with some knowledge.' Senator Brown has declined the invitation to go.

I say to the member for Melbourne: forgive me if I handle your motion with some disdain, when you walk into this House and speak on behalf of a party that, even though invited, refuses to go to the battlefield to get a first-hand view of what is actually happening in the country, meet our fighting men and women, shake their hands and look them in the eye. You talk in here about bringing our soldiers home with honour. You know nothing of honour, sir, because you refuse to go there, speak to them and demonstrate through your actions that you honour their service. So forgive me if I look at your motion as one more in a line of frivolous motions regarding our defence forces and national security that the Greens see fit to introduce into parliament. You have given no thought to the repercussions of your actions or your words. I will stand here and join with the government in a bipartisan way to support our men and women and say to them: what you are doing is valuable, this is not an unwinnable and unjustifiable war. You shed your blood, your sweat and your tears for something that matters.

Before discussing the wider elements of the merits of the motion, let us first couch this debate in the history of the Greens' defence and national security policy, because it is important to understand the motivation of the member for Melbourne. He comes into the House to talk about combat operations, yet the Greens party has no explicit defence policy. It has no veterans policy, yet he speaks of bringing our troops home with honour. It has no national security policy; the Greens' line-in-the-sand approach will simply make matters worse. This parliament views that a considered metrics based, command-led withdrawal is the best recipe for success. Anything less is to consign the Afghan people to a future nightmare of insurgent violence, drug addiction through poppy harvesting and religious terrorism.

The Greens' published peace and security policy is at best naive and at worst frankly dangerous. The Greens call on Australia to end its cornerstone national security treaty, the ANZUS alliance, to end all foreign troop deployments and training in Australia, which are fundamental to our regional cooperation, and to close all foreign bases in Australia, despite the fact that we have none. Further, the Greens have called for an end to arms trade fairs and the cessation of exporting Australian manufactured defence materiel. In other words, the Greens want to shut down the bulk of Australia's defence industry, which is worth more than $2 billion a year and directly employs over 10,000 people,
many in regional locations. This is the heart and soul of the policy of the Greens. This is what they want to do to Australia's defence industry.

I could go on and on unpacking the irrational, contradictory, confused and nonsensical Greens defence policy, but suffice to say that those with more than a passing interest in defence matters join as one to denounce any watering down of the executive powers of government as they pertain to national security. Those outside of the executive are literally dripping in an inability to understand the core issues without the available intelligence, knowledge and information at hand. Only the executive is capable of making considered, detailed and reasoned decisions about the application of force in the furthering of our national security and foreign affairs policy. If the Greens wish to be taken seriously on defence and national security, they should take seriously the need to formulate policies and not just thought bubbles, and they should think seriously about the repercussions of their thought bubbles within the wider context of Australia's national security and not the narrow interests of their political base.

In responding to this motion I do so with the full knowledge that it is not motivated by the welfare of our hardworking ADF personnel; it is not motivated by doing what is right by our ISAF and Afghan partners or by the 48 nations of the world that have joined together under a United Nations mandate to fight the insipid curse of separatism, terrorist elements, insurgency and criminal forces that all fuse together within wider Afghanistan to seek to do us harm. If the Greens came from a position of even a minimum degree of enduring interest regarding defence matters then perhaps I could take this seriously. If the Leader of the Greens had bothered like every other major leader of a party to visit our hardworking men and women and seek an understanding of what they are doing within the wider Middle East area of operations perhaps we could take this seriously. But carping from the sidelines, speaking of bringing men and women home with honour and drawing time lines arbitrarily in the sand does not fill us with that degree of confidence. If the Greens were serious about national security policy they would not have a position to end the ANZUS alliance, the bedrock of our security in the region.

There is bipartisan support for our ongoing engagement in Afghanistan. There is bipartisan support for a metrics based, command-led withdrawal from Afghanistan that is not based on arbitrary time lines but on thoughtful, considered judgments on the ground, on the degree of training and the standards we have achieved with the Afghan National Army and the Afghan National Police and on the degree of support the provincial reconstruction teams have provided in the region.

There was a time when we had 30 operating bases and patrol bases. We now man fewer than eight, with mobile mentoring teams being the order of the day. We have already commenced handing over significant areas, village by village, roadside by roadside, valley by valley, to the Afghan National Army and the Afghan National Police. The drawdown across the area is already occurring within a staged, set, metrics based environment that does not need people on the sidelines with no experience, no interest and no desire to see what is going on to get involved.

We take our responsibilities seriously, as do the other 47 nations of the world in partnership under a UN mandate in Afghanistan. We do not think casually about our involvement. We feel deeply for the
wounded in action and those tragically killed in action and their families and loved ones left behind. War should never be entered into lightly nor withdrawn from on a whim. There is an executive with this House for a reason. It is called the government. It is designed to make sound, reasoned and sensible decisions, and it is the body who is best placed to make decisions on withdrawing forces. *(Time expired)*

Mr WILKIE (Denison) *(21:11)*: I rise to again voice my opposition, in the strongest possible terms, to Australia's continuing involvement in the war in Afghanistan. I do not dispute the claim al-Qaeda was responsible for the attacks on America on 11 September 2001. Nor do I dispute the claim that al-Qaeda was based principally in Afghanistan, so there was a legitimate need to invade that country if the terrorist organisation was to be brought to heel. In fact, I was an analyst in the Office of National Assessments at about that time and it was abundantly clear to me that al-Qaeda was anything but a band of terrorists hiding in a cave somewhere in Afghanistan. The reality instead was that al-Qaeda was so large as to deploy formed bodies of troops and was an intrinsic physical and financial part of the Taliban regime, controlling virtually all of the country by late 2001.

Hence I do believe we should have joined the international community in the invasion of that country, just as the international community, including Australia, should have moved quickly to rebuild the country in 2002. But of course the international community, including Australia, did not seize the brief opportunity to maintain the fragile peace while it poured in the billions of dollars of promised aid, preferring instead to cut and run and in the process create the conditions for the civil war we have battled ever since. Yes, it is a civil war. All the nonsense we continue to hear from the government and from the opposition about needing to stay in Afghanistan to rid the world of global terrorism is just that—nonsense. The fact is that Islamic extremism no longer relies on a single group and Afghanistan is no longer terrorism central. What we have instead is a transnational collection of violent individuals and groups, some acting alone and some connected, who collectively comprise the global Islamic extremist threat. Against this backdrop al-Qaeda is now irrelevant, its earlier roles of direct action as well as controlling and inspiring others now virtually redundant. In other words, there is simply no reason whatsoever for Australian troops to remain in Afghanistan any longer to keep us safe from terrorists. Nor is there any reason to remain in Afghanistan in solidarity with the United States, because the US is now set to get out sooner than later and, in any case, the bilateral relationship is more than strong enough to withstand us showing a bit of independence sometimes. If there were a reason to stay on in Afghanistan, surely it would be to make it a better place. But, regrettably, that is a pipedream. The dreadful reality is that Afghanistan will remain strife torn until foreign troops have left and the country has been allowed to find its natural political level. It was ever thus.

In offering my thoughts tonight I make no criticism of the Australian Defence Force. They are doing their job and doing it magnificently. In particular, my former wife, Brigadier Simone Wilkie, is said to be excelling. But regardless of whether Australian forces fight on for two months, two years or 10, Afghanistan will revert to chaos when international forces withdraw. This is set to be a chilling replay of the way the formidable successes of the Australian task force in Phuoc Tuy province were eventually swamped by the broader military defeat in Vietnam. If this is to be the case, to
paraphrase US Senator John Kerry, himself a war veteran: how do you ask a soldier to be the last one to die in Afghanistan and how do you ask a soldier to be the last one to die for the mistake of staying on unnecessarily? God help the Australian politicians who have it within their power to end this war but who choose not to, for in their hands is the fate of our sons and daughters, and it is in their hearts they will need to live with John Kerry's questions.

In closing, Mr Deputy Speaker, I would like to put on the record the member for Moore's concern about the war in Afghanistan. He had hoped to express them himself tonight but is unable to.

Mr SIMPKINS (Cowan) (21:16): I stand here with, I am sure, the vast majority of this House to affirm my support for our mission and our troops in Afghanistan. We know what Afghanistan was like leading up to 2001: the Taliban were running the show and they had invited al-Qaeda to Afghanistan. Whilst we heard from the member for Denison that Afghanistan should be allowed to go back to a natural political level, I am not so sure that, in the broad world interest, we want that country to be the home base for terrorism that it was and stands to become again if we drop the ball on this. Nor do we want Afghanistan to become again the socially and politically crippled and barbaric nation that it was before, when half a million people lived in Kabul and they had a terrible standard of living. Then, fewer than a million boys attended school in Afghanistan and now there are close to seven million Afghan children attending school, a third of whom are girls. That was not allowed under the old regime. We should be very careful about trying to step back from that sort of future. We should have confidence and not be like the member for Melbourne, who denigrates the Afghan people by saying that their troops and their police are just not up to the task.

It is not going to be easy and it has not been easy. As we know, there has been a cost involved with this. But we should be prepared to back those people. We should be prepared to back a developing democratic nation whose soldiers and police are prepared to lay down their lives, as so many do. Whilst there have been aberrations, a handful who have done the wrong thing by committing crimes and betraying their allies and their own people, the reality is that the vast majority—something like 330,000 by 2014—are the people we should stand behind and be prepared to back. They believe in their country and, whilst others in this place may not believe in that country, it is right for the majority of us in this chamber to stand by Afghanistan and believe in a better future for them. We have a duty to every girl in that country who was not able to attend school or have a job outside the home. It is the right thing to do. There are good things in this world, and they are always worth fighting for. We should not be backing away from this. Look at what happened in 2001. It is acknowledged, I suspect, by all people in this House that al-Qaeda based their terrorism in Afghanistan. That is what happened with September 11.

There is a better future and we must never allow the circumstances, the home base, that existed in Afghanistan to exist again. We must never allow a September 11 to exist. Also, we must always be on our guard against terrorism. The fact that it may take generations should not mean we should be scared of that fight. Sometimes we have got to get people out there and fight. That is the reality. We need to do the things that need to be done. Sometimes you just cannot turn the other cheek. Sometimes you have just got to pick up weapons and do what needs to be done. It is not just about the security of this country and the Western world; it is also about a better future for a lot of people in
Afghanistan. It might happen in other places in the future. Again, we should be prepared to do what needs to be done in those cases.

There is always the hope that by 2014 we might see even better stability, social development and economic capacity in Afghanistan. That future will be delivered by democratic government supported by the Afghan National Army and the Afghan National Police, with as much support from friends and allies as is required. We should ensure that the home base for terrorism in Afghanistan is never again allowed to exist, we should be prepared to fight for as long as it is required and, certainly, beyond 2014 we should not be afraid to have our soldiers and our supporters in Afghanistan back a better future for the Afghan people.

Ms BRODTMANN (Canberra) (21:21): Recent events have once again brought into sharp focus our role in Afghanistan, and I do not think anyone here is under the illusion that our task there is simple. Restoring stability to the nation of Afghanistan is a complex and long process and, yes, the incidents we have heard so much about lately do make our mission more challenging. I know Afghan President Hamid Karzai has, in the face of these unforgivable circumstances, made a number of statements in the last few weeks. But the important thing to remember here is that there is a commitment in place that has not been broken. President Karzai has spoken to US President Barack Obama, and both have recommitted to the strategy made by international partners at the Lisbon summit, where it was agreed to hand over the lead on security to Afghan forces by the end of 2014. Australia, too, remains firmly committed to this strategy.

We are continuing our important work in Oruzgan where we are training and mentoring the 4th Brigade of the Afghan National Army. More importantly, we are confident we can transition to Afghan-led security responsibility in the Oruzgan province by 2014—perhaps even earlier. Following that milestone, Australia will continue to have a role in Afghanistan, possibly through institutional training, a special forces presence, military advisory roles, capacity building and development assistance.

This transition process is extremely important to the future of Afghanistan and of the Middle East more generally. For the transition to be successful, the Afghan national security forces need to assume their security responsibility on a sustainable and irreversible basis. This will require some level of continued support from international forces. To withdraw would put this strategy in jeopardy.

Transition is a long process, which the Gillard government is committed to. We want to ensure Afghanistan has as orderly a transition as possible. We need to remember why we are in Afghanistan. We are there at the request of the government of Afghanistan and we operate as part of the United Nations mandated International Security Assistance Force. There are 49 other members of the ISAF who are working alongside us and we are making good progress. We have helped build up the Afghan national security forces from around 192,000 in late 2009 to around 300,000 today. While much of the focus on Afghanistan is on the military, one must not forget the broader mission we are engaged in. We are doing very important work in Afghanistan. We are doing good work.

I know this because in May last year I visited Afghanistan as part of the Defence Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade and I saw firsthand the important work Australia is doing. I gained a greater understanding of what we are there to do—to
not only combat terrorism and stabilise Afghanistan but also nurture and grow much more fundamental human rights within the country. I gained a greater understanding of the great work being done by our serving men and women. Australia has done a lot of good in Afghanistan. We have helped build infrastructure—we have constructed training centres, roads, airfields and mosques. Better roads mean food can get to market and local economies can prosper. Alternative crops have been introduced to help stop the country's addiction to the poppy trade and we are giving young people skills so they can help build up their nation.

We have seen the beginnings of an education revolution within Afghanistan, where girls are going to school and getting an education for the very first time. Six million children now go to school in Afghanistan and we are still counting—and one-third of them are girls. In 2001, the number of children in school was around one million and none of them were girls. We are also teaching soldiers to read.

Despite what others might say or suggest, there continues to be universal support in the international community for the transition process in Afghanistan to go ahead. Australia's involvement in Afghanistan is important and our transition strategy is well in hand. It is something our troops have been working extremely hard to achieve for some years, and something we must continue to support, for the people of Afghanistan and for those soldiers from all nations who have lost their lives in trying to restore security and stability.

Mr EWEN JONES (Herbert) (21:26): Last Friday I was lucky enough to join the honourable member for Eden-Monaro, the Parliamentary Secretary for Defence, Dr Mike Kelly, to farewell Force Support Unit Six, or FSU 6, as they departed for Afghanistan. I was lucky that I was not asked to speak after Dr Kelly, because he said it all. He spoke about family, about respect, about love, about duty and about responsibility. At the morning tea afterwards, I spoke with a soldier who was about to leave his wife and two beautiful girls, in grade 6 and grade 3, for his third tour. I asked the girls if they were proud of their dad or if they were going to miss him. They said, 'Of course we will miss him, but we are very, very proud for what he is doing.' I asked him what he was doing and he said that he was about to leave on his third tour. He said that he was really looking forward to re-establishing ties in Afghanistan. He was really looking forward to seeing what he had started on his first two tours and to see how far down the track things had gone. He was really excited about catching up with the Afghans he had met, about the relationships he had made professionally and socially and about what they had done to their country.

Our troops are doing a professional job. They are doing that because they are professionals. They are there not to perpetuate war but to ensure that this country, Afghanistan, is given every opportunity to provide for itself. War is no longer two lines of soldiers shooting at each other. The members for Melbourne and Denison would do well to remember this. A friend of mine who came back from Afghanistan said:

There will be a form of democracy in Afghanistan, but it probably won't look too much like Australia's. It will be their form of democracy. It will be what they are prepared to do and what they are prepared to fight for.

We cannot do everything, but what we can do is make sure that every opportunity is given them to provide the best for their own country. I agree with the member for Canberra: withdrawal is a long and difficult process but it must also be orderly and
ordered. We cannot draw a line in the sand arbitrarily and say that we shall be out of there by then, because we do not know what is going to happen. It is a fluid situation in Afghanistan and it has to be treated as such.

The people of Australia must bear with this parliament and trust our soldiers and the services that they are delivering. FSU 6 are deploying to three sites: Tarin Kowt, the United Arab Emirates and Oruzgan province. I appreciate what they are doing and how they are going about their work and I think everyone in this place would do well to remember that these people are going over there. To draw a line arbitrarily just to get a bit of press at the wrong time of the day, because you were not part of the leadership debate—

Debate interrupted.

ADJOURNMENT

The SPEAKER: Order! As reluctant as I am to interrupt the honourable member for Herbert, it is 9.30 pm. The honourable member will have the opportunity to continue his remarks at an appropriate time. I propose the question:

That the House do now adjourn.

Defence Procurement

Dr JENSEN (Tangney) (21:30): Slated as Australia's new air combat capability, the troubled Joint Strike Fighter program is beyond overdue. Service entry is expected, at the very minimum, to be more than six years later than anticipated and far too expensive. Adding insult to injury, the question concerning the aircraft's credibility as an effective air combat fighter in the expected time it would operate remains to be answered. The Defence Subcommittee hearing pertaining to the Defence annual report, held on 16 March, was a staggering event for those familiar with this subject. First was the admission by Air Vice-Marshal Kym Osley that, in terms of aerodynamic performance, the JSF was designed to have similar performance to a legacy F16 or F18 with air-to-air missiles and external fuel tanks. He stated that this was representative of how a legacy aircraft would be loaded for combat.

When legacy fighters enter combat, however, external fuel tanks are dropped, resulting in a significant reduction in drag. This means legacy fighters are superior in performance, when compared to the aircraft supposed to replace them, after they drop those tanks. The JSF will mark the first time in Australia's air combat history that a fighter replacing an older one will have inferior overall aerodynamic performance. Defence still contends that the overall capability of the JSF is superior and that it will defeat all known threats. Upon my inquiry about what threats had been evaluated and what models, apart from man-in-the-loop flight simulators, had been used, Air Vice-Marshal Osley refused to specify.

To get a handle on the assertions made by Defence, I worked through a step-by-step process on an eight-versus-eight combat. It was evident that this process was not going to end well for the JSF, so the 'we are getting into classified areas' get-out-of-jail-free card was pulled. I can inform the House that we were not even close to classified data. We were discussing actual combat firings of the JSF's main air-to-air missile—information in the public domain which demonstrates that, in a permissive environment, it has a probability of kill of approximately 0.5, meaning that its missile hits its target half the time. In reality, against a capable threat, the missile is only likely to kill the enemy one time in five.

Perhaps the JSF being a lousy air combat fighter is the actual reason for the classified card being pulled. The trade bible, Aviation
Week and Space Technology, had a report called 'Raptor's Edge' in 2009. In this article, analysts from the USAF and Lockheed Martin, the company making both the F22 Raptor and the JSF, stated that, against Su-27 and MiG-29 fighters, the Raptor had a kill ratio of 30 to one and the JSF three to one. That sounds reasonable until you realise that the Su-27 and MiG-29 fighters are nearly 30 years old already. Against aircraft 30 years newer, such as the Su-35S, the PAK-FA and the Chinese J20, you can imagine the results are likely to be very different.

I made the point about the vulnerability of the JSF against these aircraft during the hearings. REPSIM, an analysis company with personnel praised by the Chief of Defence Force, has shown that against the Su-35S alone, the JSF would be shot down at the rate of 5 to 2—never mind the more capable, stealthy PAK-FA and J-20. The chief executive officer of the Defence Materiel Organisation, Warren King, also indicated that there were no thresholds in place, in terms of either schedule or cost, which would lead to the JSF decision being rescinded. This is staggering as it amounts to an open chequebook—we are going to aggressively purchase the JSF, come hell or high water, no matter what date the aircraft becomes available.

The simple fact is that the fighter pilot's holy grail is the ability to engage, destroy the enemy and disengage at will. With the JSF, the terms of the engagement will have to be accepted, even if highly disadvantageous. This does not bode well for the most important military capability of all—air combat.

National Servicemen's Day

Mr LYONS (Bass) (21:35): I rise in the House this evening to pay tribute to our national servicemen. On Sunday, 18 March I had the honour of attending the Tasmanian National Servicemen's Association of Australia annual commemoration day in Launceston. I thank those involved in planning and executing this event, especially the president of the Launceston branch, Bill Dabner. Past servicemen marched with Defence Force cadets and the City of Launceston RSL band from Launceston's Civic Square to the service at the Launceston Cenotaph. Air Vice-Marshal Gavlin—known as Leo—Davies, CSC, the Deputy Chief of Air Force, took the salute.

On the day, Jim Stewart of Devon Hills commented that being involved in the national service had been 'the greatest experience of his life'. Bernie Morgan, another proud nasho, said it had taught him the ability to be 'self-reliant and disciplined'. I thank them both for their service and am humbled to say there were two Tasmanians on the National Service Honour Roll. As stated on the National Servicemen's Association website:

Kevin Brewer, 22, of Launceston, Tasmania, was called up on 12 July, 1967 and left for Vietnam with the advance party of 4RAR. He died of wounds during Operation Trackduster, a search and destroy mission, on Route 15, near Thai Thien on October 8, 1968. Albert McCormack, 21, of Launceston, Tasmania, was a clerk when called up on June 30, 1965 and was attached to D Company 6RAR after training in Queensland. He and Dennis McCormack, from Adelaide, had consecutive Queensland service numbers; both were attached to D Coy and both died in the battle of Long Tan on 18 August, 1966. D Coy, with artillery and APC support, fought off a force of North Vietnamese and Viet Cong troops at least 10 times their number in pouring monsoonal rain in the Long Tan rubber plantation. They set a standard of courage, discipline, co-ordination and tactics that all Australian units were to follow in Vietnam.

To give some background, the National Servicemen's Association of Australia was founded in 1987 and now is the second
The largest ex-service organisation in the nation. There are branches in each state and territory and it represents 287,000 young men who were called up for service in the Navy, Army and Air Force in the two schemes between 1951 and 1972. Sadly, 212 died on active service—two in Borneo and 210 in Vietnam.

The association's objectives are to promote the health and welfare of national servicemen; to represent national servicemen to government, to community and to media; to record the history of national service and its role in Australia's defence effort; as well as to provide a national servicemen's perspective on defence and community issues. The association also aims to build and maintain memorials to national servicemen who died on active service and those who have died since; to promote educational programs about national service in our schools and in the community; and to promote social interaction between national servicemen and the wider defence communities. These are very important objectives and I commend their community engagement and services.

Enjoying a healthy lifestyle is important for all Australians—and it is no different for members of the veteran community. The association's welfare programs include visits to sick members and information on issues such as health and welfare benefits, and it provides information about retirement homes and financial planning advice.

There were calls on Sunday for the reinstatement of national service. Whilst I appreciate this point of view, I feel there are many other avenues for Australians to contribute to their community. I encourage all Australians, young and old, to seek out local service and community groups such as Rotary, Lions and Apex clubs, volunteer emergency services, environmental groups, surf life saving clubs and aged-care facilities, and volunteer your time and expertise. It will be greatly appreciated and you can make a real difference to the lives of others and the community. The traditions learned through national service such as mateship, loyalty, discipline and teamwork are ingrained in Australian culture, and I urge Australians to be involved in their local community with this spirit of hard work and dedication that was shown by our Nashos.

On a final note, I wish to honour and commemorate the lives lost of national servicemen and commend their important contribution to our nation. We must never forget the service and sacrifice of these brave young Australians, who fought with great courage and valour in the face of adversity. Lest we forget. (Time expired)

Member for Lyne

Mr HARTSUYKER (Cowper) (21:40): I rise before the House to speak about trust. But I am not talking about how the Labor, Green and Independent government has betrayed the trust of the Australian people. I am speaking about a trust which has been established by the federal member for Lyne. Over the past week there have been numerous media reports questioning the status of the mid-North Coast youth trust. The current member for Lyne established this trust with great fanfare in 2003 as the state member for Port Macquarie. He was made a trustee of the trust. Other trustees included his wife plus local solicitor Brett Gilbert. I understand both the member for Lyne's wife and Mr Gilbert are no longer trustees. Once launched, advertisements for the trust appeared in newspapers and newsletters were distributed to households. In these advertisements, the current member for Lyne claimed the trust was established to 'fight the very generous politicians' superannuation scheme' and to help youth in the area.
Ms King: Mr Speaker, I rise on a point of order. A matter is being raised in the adjournment impugning another member of parliament and I ask you to ask the member to desist in that.

The SPEAKER: There is no point of order. The honourable member has not as yet to my knowledge reflected on the honourable member for Lyne. He is aware of the standing orders and I am sure will be very cautious to not reflect on the member.

Mr HARTSUYNKER: Indeed, the member for Lyne spruiked that he would commit $20,000 per year once he was entitled to superannuation benefits. But there are now legitimate questions which need to answered. They relate to the status of the trust and its legal and financial compliance obligations. According to radio 2GB last Wednesday morning, one of the former trustees, Brett Gilbert, confirmed that he set up the trust and was a trustee after it was established. However, Mr Gilbert told the Ray Hadley show that the trust was no longer active and he has had no involvement in the trust for five years. Mr Gilbert was also quoted as saying that he believed the trust received a small amount of funds, but does not know what happened to that money. As a result, the media have attempted to ask questions but the member for Lyne has to this date refused to respond. What does he have to hide?

This issue is as much about the member for Lyne being open and honest with his constituents as it is about transparency over the administration of the trust. I draw the attention of the House to the responsibility a trustee has to lodge a tax return under Australian legislation.

The SPEAKER: Order! The honourable member for Cowper is going extremely close to reflecting on the member for Lyne. I would caution him. I will not hesitate to sit him down without raising the matter again if in my view he transgresses.

Mr HARTSUYNKER: The question remains: have tax returns for the trust been issued for the period 2002-03 to the current date? There are also issues with regard to tax file number withholding requirements for the trust. These measures require a trustee to disclose to the Australian Taxation Office the tax file number of the relevant beneficiary. If they do not, the trust is obliged to pay an amount of tax to the Australian Taxation Office.

I did a quick search of the ABN register earlier today and was amazed I could not find an ABN for this trust. On this basis, it would appear reasonable to assume that it does not have an ABN. According to advice from the ATO, an organisation must have an ABN if it is seeking endorsement as one or more of the following: a tax concession charity or income tax exempt fund, or a deductible gift recipient. If you were serious about maximising the return to your community, one would expect you would seek to avail the trust of every possible tax concession.

There is also a range of other questions which need to be answered. What is the current status of the trust? Who are the beneficiaries? How do you donate to the trust? Who has received benefits from the trust? What is the process by which you can apply to become a beneficiary of the trust? What are the sources of income for the trust? Have all legal requirements been complied with? How is the trustee ensuring that the assets of the trust are being effectively managed for the benefit of the beneficiaries? Has the trust been audited by an independent, qualified auditor? Why does the trust not have a registered ABN? Is there an operating bank account and, if so, where...
is the account maintained and who are the signatories?

I hereby call on the member for Lyne to end the uncertainty, clear the air and deliver the transparency he so often tries to make a badge of honour.

Scullin Electorate: Higher Education

Mr JENKINS (Scullin) (21:45): I wrote these words before I heard from the member for Cowper. I was going to open by saying that, in a world mired in negativity, it is proper to celebrate the achievements of government, so tonight I take the opportunity to celebrate the huge investment that has occurred in the Scullin electorate in the tertiary sector and skills development over the past four years.

As the Australian economy goes through great change, governments must ensure that investment in education and training continues to be at the forefront. Investing in Australia's people and human capital is one of the best ways to ensure their future employment and prosperity and to ensure that the workforce challenges of the future are met. Skills are at the front and centre of a Labor agenda: witness today's announcements in support of strengthening vocational education and training. In Scullin, the record investment is coming to fruition with many projects now built. The funded projects provide more opportunities for Scullin residents to skill and upskill.

In November 2010, I officially opened the $9.5 million Green Skills Centre of Excellence at the Northern Melbourne Institute of TAFE Epping campus, a project fully funded by the federal Labor government, providing skills in areas like grey water treatment and geothermal heat exchange. NMIT students are being trained on industry-standard equipment and facilities in this world-class training centre—a five-star, green-star building. With this industry-specific knowledge these students can confidently enter the workforce. The centre provides learning and skills development for green jobs in environmentally-sustainable practices and technologies: carbon trading, solar power and water heating, wind-power generation, rainwater harvesting and waste management and recycling—all very relevant skills training that will help us face our current and future environmental challenges.

In July 2011, I had the pleasure of opening the $10 million auditorium at RMIT's Bundoora campus. This state-of-the-art auditorium is a wonderful, innovative building, fully funded by the federal Labor government through the Better Universities Renewal Funding initiative and the Capital Development Pool. It is equipped with audiovisual equipment that improves interactive learning and engagement between staff and students, as well as flexible learning spaces that can be used for many purposes. The great thing about this new auditorium is that it is available not only to the university but to the local community, with businesses, schools and community groups now forming a closer relationship with RMIT through their use of this facility.

Another project to celebrate is the new $64 million La Trobe Institute Molecular Science research facility now established at the Bundoora campus. This world-class research facility for molecular science, biotechnology and nanotechnology is fully funded by the Gillard government and provides more than 200 science and research positions. Due to this facility, La Trobe University is now a world research leader in the fields of molecular science and biotechnology. As a science graduate I am particularly pleased that such a facility has been built benefiting students and researchers in the northern suburbs of Melbourne.
The final project I wish to mention tonight is the forthcoming Northern Health Teaching, Training And Research Precinct at the Northern Hospital in Epping. This new precinct will be a partnership between Northern Health, the University of Melbourne and La Trobe University, providing student tutorial rooms and simulation and research laboratories across medicine, nursing and other allied health fields, as undergraduate opportunities. It provides up to 665 undergraduate, graduate and postgraduate student placements in the medicine, nursing and allied health fields. The Gillard government is providing $14 million towards the construction of this $35.5 million training and research precinct. It is yet another investment in our local area. It is an infrastructure investment that is a real investment in the education, skills and training of the people of Scullin.

I think we would all agree, in this place, that everyone deserves the opportunity to reach their full potential and to fully contribute to their communities. Through federal Labor's investment in a wide range of educational possibilities this has been the case. Tonight I take this opportunity to celebrate the commitment that has been made over the past four years to tertiary education in Scullin. I will certainly be taking the opportunity to celebrate further investments in primary and secondary education.

Traralgon CBD Safety Committee Latrobe Regional Hospital

Mr CHESTER (Gippsland) (21:50): I rise to highlight and commend the proactive approach of my community in addressing the issue of street violence and antisocial behaviour, and also to call on the federal government to adopt a national approach to community safety initiatives.

Late last year, I undertook a community survey which showed only 38 per cent of the people in my electorate—in the Latrobe Valley in particular—felt safe in their local community at night. That is a damning indictment on the issue of community safety generally. I must stress at the outset that there is a small minority of troublemakers who seem incapable of going out at night, particularly on weekends, and enjoying themselves without finding ways to cause a nuisance to others or, in the more extreme cases, to get involved in violent activities.

I wish to speak about the successful trial of the Traralgon Central Business District Safety Committee and the new Justice Reference Group that has been established by the four shires of Latrobe, Baw Baw, South Gippsland and Bass Coast to address crime prevention initiatives in my electorate. That partnership involves local police and community representatives. The group is being chaired by Superintendent Tess Walsh from the local police and Will Crinall, the Regional Director of the Department of Justice. Likewise, the Traralgon CBD Safety Committee has brought together a range of stakeholders concerned about this issue including local government representatives, the police, nightclub and hotel operators and taxi drivers to work out the best possible solutions to these local community problems. They work very closely with schools on early intervention programs and will host a safety forum in May this year to which local schools will be invited to send student representatives. So, while they have been successful in many regards—in particular, they secured a limited amount of funding for some closed-circuit television cameras in the CBD which are monitored by local police—there is still a lot more work to be done. I am calling on the federal government to start working more closely with communities which are facing these types of problems to
actually support some of the initiatives that these community groups are coming up with.

One of these important initiatives, which I referred to just a moment ago, is the closed-circuit television cameras. These are very good at actually preventing crime in the first place but also, from the police perspective, they provide an opportunity for evidence gathering which is indisputable in court, and that has been very useful for them in terms of prosecuting offenders who have been detected in the Latrobe Valley region but particularly in the Traralgon CBD. I regularly liaise with the CBD safety committee and they are encouraging me to continue to work with both state and federal governments to secure greater funding to implement the strategies that they devise for the region. It is fair to say, I think, that most of my community would believe that the police do a fantastic job, but they cannot be everywhere at once and I think we need to assist them in any way we can—to provide them with the tools which will enable them to not only prevent crime but also track down offenders when incidents do occur.

On a more positive note, in the moments I have left I would like to also reflect on the success of the Latrobe Regional Hospital and its recent 'Run for your life' fun run which was held on the weekend. More than 740 local residents supported the Latrobe Regional Hospital in its fundraising initiatives on the weekend with a walk and a run through the Kay Street gardens area of Traralgon's streets.

It is an important initiative. They are trying to raise money for the allied health department. Their target is in the order of $500,000 over the next couple of years. It was a successful fundraiser on the weekend, but the broader issue, which I have spoken about before in the House, relates to the Latrobe Regional Hospital more generally and its need to secure federal government support for its application for $65 million to upgrade the facility. I understand the application, which is currently before the minister, has been well received by the department, and there is certainly a lot of interest within government in terms of supporting Latrobe Regional Hospital in that work. While the fundraiser on the weekend was, as I say, a success, it would take a lot of fun runs to raise $65 million, as I am sure the House would appreciate. So I am appealing to the government to give this application favourable consideration in the upcoming budget process. More than 1,500 people have signed a petition expressing their support for this upgrade and they have been online and supported my campaign to help fix our hospital.

I do like to, in this place, give credit where it is due, and I have mentioned in the past that the government has funded other important health initiatives in the Gippsland region, particularly in the Latrobe Valley in recent times. There has been the upgrade to the Gippsland Rotary Centenary House, which was well supported, and also the $20 million to the Gippsland Cancer Care Centre. So I am certainly grateful for the funding that has been provided in the past but mindful of the fact that the Latrobe Regional Hospital is going to need a massive injection of funds in the upcoming months to meet not only the current demands of the community but also the future expectations of the Latrobe Valley and the broader Gippsland region. (Time expired)

**Throsby Electorate: OneSteel**

Mr STEPHEN JONES (Throsby) (21:55): I regret to inform the House that last week a gas and oil pipe production plant in my electorate of Throsby announced that it would close. The plant has been operated for many decades by the company OneSteel,
a former part of BHP. Fifty workers are directly affected and probably 150 indirectly. It is a blow to the workers and their families, but I argue also a great blow to the region and the industry.

The withdrawal of OneSteel from the long-distance pipe market means that there are no domestic producers for this product in Australia. That comes at a time when the resource sector is booming—the Treasurer is often telling the House that over $400 billion worth of investment in the resource sector is in the pipeline over the next five to six years, particularly in the gas sector, and there are many other products that use pipelines as a means of transmission, particularly the coal-seam gas area where the demand for gas pipe is booming—but when demand for Australian-produced pipe has absolutely tanked.

OneSteel's closure or withdrawal from the long-distance pipe market follows the closure of two other plants in the last month, including an Italian multinational that operated a coating plant, Socotherm, and another multinational company by the name of Bredero Shaw which also operated a pipe-coating plant. What it means is that the ecosystem for producing this sort of product is now virtually lost to the Australian economy.

That does not mean that we do not have a viable pipe industry in this country; that is far from being the case. We still have a very viable industry when it comes to the construction, operation and maintenance of these pipelines, but a vital cog in the system is lost. It means that in the future we run the risk of being at the mercy of international producers who are, at the moment, able to flood our markets, often, it is alleged, with produce at below cost price. In the future we fear that Australian purchasers of these products will be asked to pay increasing costs.

Many speakers have got up in this place over the last year and spoken of the dramatic changes that are occurring in the Australian economy. I would argue that the restructuring that has been occurring over the last two to three years has been occurring at a pace and to an extent that has not been seen at any time over the last 30 years. I would also argue, further, that these are changes that are little understood in the capital cities of this country but well understood in regions such as my own which rely heavily or have traditionally relied heavily on manufacturing, particularly heavy manufacturing, as the mainstay of their employment and their regional economic product.

It is true that some regions—and indeed the country as a whole, when taken as a whole—are obtaining an enormous benefit from the resources boom. That is seen in our relatively low unemployment rate when compared to just about every other country in the world, our high exchange rates and the fact that we are paying, increasingly, less for many of our imports. With equal force: some regions, arguably very few regions, are suffering a disproportionate burden, and I would name my own region, the Illawarra, and the regions of Geelong and the northern parts of Tasmania as three which are suffering because of the restructuring that is occurring within this economy. I argue that more needs to be done to support workers and families in these regions and that we need intensive assistance in retraining and job search to make the transition that is being forced upon the regions and the businesses within this region. I also argue that more needs to be done by government in cooperation and in partnership with the private sector to ensure that new investment is going into these regions. Some work is
being done, and I welcome it. In my own region the government has recently set up a $30 million co-investment fund, and I hope that announcements will be made in the very near future about new investment and new jobs that will be generated as a result. Without this more strain will be faced by workers who will flood from the regions to the capital cities, and we will see a loss of our skill base and important sectors in regions such as my own.

Sydney Light Rail Network

Mr Turnbull (Wentworth) (22:00): Last year was 50 years from the day that the trams that ran out along Anzac Parade to the eastern suburbs—out to La Perouse, out past the showground, out past the cricket ground and the racecourse, and of course out where the University of New South Wales is now—were closed by a Labor government. For all the time that our new foreign minister was Premier of New South Wales, he did nothing to build new light rail in Sydney and, in particular, most mystifyingly, did nothing to reinstate the light rail out along Anzac Parade, where there is a reservation still in place—a light rail that would have terminated in his own electorate. He could have done something for sustainability, something for public transport and something for his own constituents, but he chose to neglect all of those people and objectives.

However, last year a Liberal government was elected in New South Wales with an outstandingly capable transport minister in the Hon. Gladys Berejiklian. She has already released a light rail strategic plan, which is committed to reinstating light rail as an important part of Sydney's public transport mix. A number of routes are being assessed, including three different routes which pass through Moore Park along the old alignment of the La Perouse tram that was shut down in 1961 and terminate at the University of New South Wales. Any of these routes would have to pass a cost-benefit analysis, but the minister has said—and I commend her for saying this—that the New South Wales government is committed to expanding the light rail network.

I live in the most congested city in Australia. It is congested because of a lack of investment in public transport infrastructure. There was a view held by governments, and in particular the long-running Labor government, that the only answer to transport problems was the motor car. The fact is the city is now too densely populated and too big to be able to solve all of its problems with more roads. We need to get people out of their cars and the only way you can do that in a free society is to offer them viable, clean, reliable alternatives. There is a blindingly obvious opportunity in the eastern suburbs in my electorate: a route that would run from Central railway station, go up to Taylor Square and Anzac Parade, go past the showground, the cricket ground and the footy stadium, go out past the Sydney Boys High School and the Sydney Girls High School and go out past the racecourse to the University of New South Wales and the Prince of Wales Hospital. All of these places are enormous employers from Monday to Friday, and of course the sporting facilities have enormous patronage on the weekends. Those facilities would never have been established were it not for light rail. It was light rail that built them and it is the neglect of light rail and the fatal decision in 1961 to tear up the tramways that has made them inaccessible.

The interesting contrast is that despite the Labor Party saying that it is a party of the working man, that it is a party to help the battler, it is the Labor Party that has been saying, in the words of the Labor transport minister John Watkins in 2008, 'We are absolutely against light rail.' On his blog...
last year, Bob Carr, under a section which was largely devoted to his favourite Civil War sites—but he was not talking about sending a tramway to Gettysburg on this occasion—wrote: 'Governments cannot build new rail lines to every new suburb.' We do not need new rail lines to every new suburb. What we need in Sydney are some rail lines built to the old suburbs that used to have very workable, very effective light rail lines. Gladys Berejiklian is offering real hope for the first time in decades for public transport in Sydney and, in particular, light rail in my electorate.

Whitlam, Mrs Margaret Elaine, AO

Special Olympics Asia Pacific Regional Games

Ms GRIERSON (Newcastle) (22:05):
Along with other members of the House, I wish to express briefly here tonight my condolences on the passing of Margaret Whitlam, particularly to former Prime Minister Gough Whitlam and the Whitlam family. My generation remembers Margaret well for the unique person she was and the personal influence she had on the political culture of the day and on the causes of women in particular. They were heady days of reform and inspiration, days that responded to the public demand for change. The Whitlams were an embodiment of that thirst for change and modernity in Australia, a quest to make this nation a truly independent and great nation that reached out to the world with confidence. In her several visits to Newcastle, Margaret Whitlam was always generous with her time and her interest in the people she met. Her genuine interest in everything Labor, and the application of everything Labor stood for to the lives of all Australians, was like a beacon of hope which drew all generations to her. That she lived a full and satisfying life is some comfort to us all.

I also wish to share last week's announcement that, after competing with rival bids from Malaysia and India, Newcastle has won its bid to host the inaugural Special Olympics Asia Pacific Regional Games in 2013. From 30 November to 7 December 2013, Newcastle will host over 1,700 Special Olympic athletes from 25 countries competing in this inspiring event. Anticipated to inject $10 million into our regional economy, participation will extend to 600 coaches, 4,000 volunteers and over 200,000 spectators.

As the Governor-General pointed out, our city has a proud tradition when it comes to sport, and I look forward to these games building upon that. The federal government is providing $545,000 to Special Olympics Australia this financial year, $100,000 of which will go towards the training and support of volunteers on the ground. Athletes will compete in various sports, including athletics, aquatics, badminton, basketball, bocce, bowling, football, table tennis and cricket, with more sports to be announced closer to the games. Undoubtedly, Special Olympics Australia is a leader in transforming the lives of people with intellectual disabilities who represent the largest disability group in the world—three per cent of the global population. In Australia, it is estimated over 500,000 people live with an intellectual disability, many of whom face difficulty in performing day-to-day tasks, a situation that too often leads to social isolation and disadvantage. Through sporting participation, a culture of inclusion, mentoring and support helps participants to build new skills and fitness, form new friendships and strive for their best.

Special Olympics Australia is part of a global movement that promotes sport as a means of social inclusion, initiated by the sister of US President John F. Kennedy, Mrs
Eunice Kennedy Shriver, whose sister Rosemary had an intellectual disability. In 1962, she invited 75 children with an intellectual disability into her backyard, encouraging them through sport. This pioneering moment has since spread globally and, in the same spirit of 1962, I know the people of Newcastle will warmly welcome competitors in these upcoming games and wish them the very best of success. It is also wonderful that Newcastle's sporting facilities will be on show for the world to see, including the redeveloped No. 2 sportsground, which benefited from $2 million in federal funding, and the recently expanded Hunter Stadium, which our government supported with $10 million—a sure sign of Labor's support for regional Australia.

Further to this fantastic news, Special Olympics Australia is also launching their third Junior National Games in Newcastle, from 6 to 10 December this year. These games provide the opportunity for 350 young athletes under 16 to compete in a range of sporting competitions. I wish these young sportspeople the best, and look forward to seeing their faces again in future Special Olympic Games.

In addition to the Special Olympics events, our city will also host the 13th annual Australian Transplant Games from 29 September to 6 October. These games unite those that have been touched by the gift of life—the donation from a fellow human being of life-giving and life-enhancing organs, tissue or bone marrow. The Australian Transplant Games will offer 24 events and will feature competitors who have received transplants or undergone dialysis treatment or who have cystic fibrosis. It will indeed be great to witness such a celebration of renewed and enhanced life.

Through the Organ and Tissue Authority and the Australian Sports Commission, our government—and the parliamentary secretary is here in the chamber tonight and I know how hard she has worked towards this—will continue to support such valuable initiatives, as the benefits to both competitors and the causes they promote are profound.

These sporting events mean great things for our city and the people of Newcastle, affirming our sporting reputation and our inclusiveness. I look forward to seeing everyone at the opening ceremonies in 2012 and 2013 and wish all the competitors the best in their training. (Time expired)

Forgotten Australians

Mr IRONS (Swan) (22:10): Members in this place would be aware of the work I have done for the forgotten Australians. Following my recent newsletter to my electorate, I would like to update the House on the forgotten Australians and on a personal experience. I have a particular affinity and empathy for the forgotten Australians as a result of my own family history. Tonight, with the indulgence of the House, I would like to talk about a positive event that has recently happened in my life.

Many times over my life I have seen print and TV media showing siblings meeting for the first time after more than 50 years, and this has just happened to me. On 15 January I met my 52-year-old brother Richard for the first time. He is the last member of my biological family I had not met. This was the culmination of a long personal journey for me, and I want to take the opportunity today to reflect on that journey in this place—and in particular on the work I have done for the forgotten Australians since being elected in 2007.

I was born the sixth of 10 children in a family that could not make ends meet, so I was made a ward of the state and spent three...
years in a babies home. I was fostered by the Irons family at the age of three years. I had a positive fostering experience but, sadly, some of my biological siblings did not. In January my brother Richard made contact with me through the Victorian state Department of Human Services, and within a week I met him with my older brother Bobbi who I had been reunited with when I was 35 years old.

It was a special day for all of us and, besides the obvious physical similarities, we found that we had many common threads in our upbringing and had a similar working-class background. Richard now works for GM Holden in Dandenong. Robert is a spare parts driver for an automotive company. I was an apprentice electrician and a road crew worker for the Gas and Fuel Corporation in Victoria before coming to WA and heading on my path to politics.

Richard was adopted out as a young child to family friends but grew up not knowing he had any biological siblings. He recently managed to get his records and realised he was No. 7 out of 10. So, at the age of 51, he set out to find his family, which included me. Years before, my brother and sister had tried to find him, without any success, even though he only lived a stone's throw away—but that is another story in itself. It took Richard the best part of eight months, after all the necessary checks, to find him, without any success, even though he only lived a stone's throw away—but that is another story in itself. It took Richard the best part of eight months, after all the necessary checks, to find us and contact us through the Department of Human Services. When I instantly said yes I would meet Richard, the girl from the department was ecstatic and was just as excited as I am sure Richard and I were.

As I said on the day of the apology to the forgotten Australians, we can never make up for the loss of our brother Raymond and sister Jennifer—both of whom suffered in orphanages—but we are fortunate to be here to speak on their behalf. It is these experiences and the experiences of my siblings that have helped me in my role as a member of parliament and given me great empathy with the many people in our society who had a tough time in state care and are searching for their own families.

There was plenty of focus on the forgotten Australians a couple of years ago, but I would like to remind the House about the forgotten Australians through the words of the Care Leavers Australia Network:

Close to half a million children in Australia in the 20th century were brought up in 'care': as state wards, foster children or Home children raised in orphanages, Children's Homes, and other institutions, and in foster care. Many of these people are now middle-aged or older but still carry the burden of unresolved issues from this past.

Many are afraid to tell their friends, even their children, that they were in the care system because of the stigma it carried. Many were cut off from all contact with family members, and are still looking for them.

Most left the care system without any preparation or assistance for adulthood or for parenthood. Many are left with the scars of emotional deprivation and neglect, and of physical, sexual and psychological abuse.

It has also been a journey for me working for the forgotten Australians in and outside the parliament since being elected in 2007. I met Leonie Sheedy of the Care Leavers Australia Network early on and pledged to help her group towards achieving the recommendations of the report into the forgotten Australians, including a national apology. It was during this time, in September 2009, that I addressed a rally in Perth for forgotten Australians who were upset about WA state government changes to redress. I met many Perth forgotten Australians at the rally and held subsequent meetings in my East Victoria Park office. Their story was common and saddening.
I fear I do not have enough time to finish with the information that I have here. As I am running out of time, I will conclude by saying how happy I am that Richard contacted me—I now have a younger to boss around. I really hope that now we have met we can make up for the lost years with our remaining years. I would also like to thank my constituents for the many messages of support I have received over the last two weeks.

The SPEAKER: On behalf of the House, I would like to thank the honourable member for that particularly moving contribution. I now call the honourable member for Wills.

Manufacturing

Mr KELVIN THOMSON (Wills) (22:16): Thank you, Mr Speaker, and I am really pleased to have been able to listen to the member for Swan's contribution, as his personal story and that of his family is quite inspiring.

I have mentioned before in the parliament the importance of a strong manufacturing sector in a nation's economy. I have referred to the views of economist Dani Rodrik, who has said that countries that ignore the health of their manufacturing industries do so at their own peril. He says high-tech services demand specialised skills and create few jobs, so their contribution to aggregate employment is bound to remain limited. Manufacturing, on the other hand, can absorb large numbers of workers, providing them with stable jobs and good benefits. For most countries, therefore, it remains a potent source of high-wage employment. Indeed, the manufacturing sector is also where the world's middle classes take shape and grow. Without a vibrant manufacturing base, societies tend to divide between rich and poor: those who have access to steady, well-paying jobs and those whose jobs are less secure and lives more precarious.

In January I inspected the Ford factory in Broadmeadows to welcome the announcement of an Australian government and Victorian government grant to boost fuel efficiency and emissions performance in the Ford Falcon and Territory. Everyone who either works in or relies upon the local automotive industry will be delighted at this decision, which will ensure that the Ford Falcon is produced here until at least the end of 2016. Ford has been an iconic Australian automotive and manufacturing brand for decades, providing many people in the northern suburbs with jobs and strengthening our community. The total investment by Ford to upgrade the Falcon and Territory at Broadmeadows in Melbourne is in excess of $103 million, with the Labor government contributing $34 million.

All countries with auto industries understand their value to their economies and provide support. Australia's is actually amongst the lowest. We have the third-lowest tariffs on cars, and government assistance is less than the price of a footy ticket on a per person basis. We provide US$18 per person compared with US$28 per person in the UK, US$90 per person in Germany, US$96 per person in Canada, US$147 per person in France, US$265 per person in the US and US$334 per person in Sweden. It is important we continue to support our manufacturing sector, including Ford, which plays an integral part in the local economy and provides economic benefits in the region and right across the state, and also in light of the fact that unemployment is running at 13 per cent in Broadmeadows. The latest available census statistics show 6,263 people who live in Wills are employed in manufacturing. Manufacturing accounts for 10 per cent of total employment in Wills. In their book Seeds of Destruction, Glenn Hubbard and Peter Navarro, say:
A strong manufacturing base spurs the technological innovation necessary to boost productivity, wage growth, and consumer purchasing power. Manufacturing is critical because the innovation process is primarily driven by R&D expenditures. In fact, U.S.-based manufacturers account for fully two-thirds of all private R&D in America. This manufacturing-based R&D leads to a ripple effect that creates new products, more production, additional jobs, higher productivity, and more wealth.

Manufacturing remains very important in my state of Victoria, and I do not want to see us following the American malaise. Josh Gordon in the Age has reported that in the six months to the end of February Victoria lost 27,700 jobs. That is over 1,000 jobs a week.

The Australian government's policies to support manufacturing also include a new R&D tax incentive, which represents the biggest reform to business innovation support in more than a decade. The 2010 ministerial report on the OECD Innovation Strategy examined the impact of R&D on productivity, finding that innovation accounted for the bulk of labour productivity growth in OECD countries.

The establishment by the Labor government of a manufacturing task force is also an important initiative. This task force will map out a shared vision for the future of Australia's manufacturing sector and help strengthen local firms as they adapt to changes in our economy, including the rise of Asia. The task force will identify a plan for how best to leverage existing efforts, including government policies and programs, to best capture the opportunities and respond to the challenges facing manufacturing.

In welcoming the establishment of the task force, ACTU President, Ged Kearney, said:

Manufacturing must be part of Australia's future, if we are to keep a balanced economy that does not rise and fall solely on commodity prices. But it is essential that we support the industry and the workers that rely on it to make a living.

I strongly support the government's measures to support our manufacturing sector, which supports local jobs for Wills's residents.

**Wannon Electorate: Roads**

**Mr TEHAN** (Wannon) (22:21): I also join in the congratulations due to the member for Swan for a most moving speech that he gave—the speech before last.

I rise tonight to congratulate the Hawkesdale P12 College, and in particular their year 8 students. They have written to me about concerns with the condition of the roads in Wannon. They have decided to take action. They have decided to speak up. They have decided to make their voice heard. I would like to pay tribute to the members of the year 8 class at Hawkesdale for doing this; I want them to know that they have been heard and that their local member will do all he can to try and improve the condition of the roads in the electorate of Wannon.

The particular issue that they wrote to me on is the state of the roads, which have deteriorated as a result of a very large renewable energy project that is occurring in the electorate. At the moment, there is construction underway of the largest wind farm in the Southern Hemisphere. Unfortunately, the roads have not been able to cope with the amount of heavy vehicle traffic on the roads, and they have deteriorated. If there is one lesson we can all learn from this it is that we need proper planning of all projects of this scale, especially in regional and rural areas, and we need to first make sure that our roads are upgraded before these projects take place. This is particularly so if we get wet weather conditions. With the last two winters we have had, the condition of the roads has deteriorated, especially with the heavy vehicle use that has occurred on them.
I also want to let the year 8 students at Hawkesdale college know that I will continue to advocate for more federal government funding for our local roads. The Howard government introduced the very successful Roads to Recovery program. This is a program that continues today, and we need to ensure that it continues to be funded appropriately. Local government across Australia has 650,000 kilometres of local roads, which it has to maintain and repair. In 2006 it was estimated that the cost to local government in doing this is $3.8 billion per annum. So we have to ensure that the Roads to Recovery program continues to be adequately funded. We also have to make sure that the policy the coalition took to the last election—a bridges renewal program for $300 million over four years—can see the light of day at the next election. We must also ensure that, where possible, RDA funding can be given to strategic roads, especially where there are national projects which are impacting on our local roads. We need to ensure that RDA funding can be applied in those cases. I hope this is something the government will take on board.

I have taken the Leader of the Opposition and the shadow Treasurer along some of our local roads so I could point out to them the massive injection of federal funds needed to help maintain and upgrade those roads. I will continue to press upon my coalition colleagues the need for us to ensure we have proper infrastructure funding. I would like to conclude by once again thanking the Hawkesdale students for taking an interest in the condition of our roads, for being proactive and for writing to me about this problem. I assure them that major infrastructure in the electorate of Wannon is front of mind for me. *(Time expired)*

**World Tuberculosis Day**

**Mr Murphy (Reid) (22:26):** Just last month, volunteers from grassroots global poverty organisation RESULTS visited me in my office here in Parliament House in the lead-up to World Tuberculosis Day. Members of RESULTS spoke with many MPs and senators to highlight the devastating link between tuberculosis and HIV. TB is the leading cause of death for people with HIV, yet less than seven per cent of people who are infected with HIV are even tested for TB. With the advance of antiretroviral treatment, people infected with HIV are able to live full and productive lives, contributing to their family and the community. But they are being cut down by TB, which is a preventable and curable ancient disease that we can eradicate.

I thank the volunteers Peter Van Zoeren, a resident in my electorate, Taniele Gofers and David Bailey for bringing these issues to my attention and for the work they do at RESULTS to highlight crucial issues of aid and development to parliamentarians and the public.

Tuberculosis is often thought of as a disease from the past and as having been long eradicated from our world. This misconception could not be further from the truth. The spread and mutation of TB remains a critical factor in the fight against disease and poverty around the world today. Australia’s bipartisan commitment to reaching 0.5 per cent GNI for overseas development aid by 2015 is one of our most important achievements. We have an opportunity to demonstrate leadership with increased funding over the next three years, but, most importantly, to ensure that our aid budget is targeted, effective and directed towards those who need it most.

Distinguishing between effective use of our aid budget and ineffective spending is a
priority for this government. One of the most effective organisations of recent history in the fight against tuberculosis, HIV and malaria is the Global Fund to fight AIDS, Tuberculosis and Malaria. The global fund has, in a decade, managed to begin to halt and reverse the spread of these three killer diseases. Since its inception in 2001, the global fund has saved an estimated 7.7 million lives, which works out at about 100,000 lives every month.

The transparency of the organisation allows continuous public scrutiny so it can improve its operation and its disbursement of funds. I am pleased to say that the Gillard government committed $210 million in 2010 to the global fund for the period 2011 to 2013. This was a 55 per cent increase on previous commitments.

Going forward, however, the work of the global fund in fighting these diseases is in jeopardy. Crucially, due to the vast impact of the fund—having supported around half of all patients receiving HIV treatment as well as providing two-thirds of international funding to fight tuberculosis and malaria—threats to the funding base of the global fund are potentially devastating for the ongoing programs in developing countries. Last November, the global fund announced that it had no choice but to cancel its next round of grant-making until at least 2014. This was as a result of lower than expected donor contributions and a scaling back of pledges from around the world. This setback threatens the progress made in the fight against HIV, TB and malaria, and risks the lives of millions of the poorest people around the world.

Reduced funding will effectively halt any new program opportunities until 2014, dramatically slowing the provision of treatment for HIV, TB and malaria. Existing projects will also need to be scaled back, with many unable to provide treatment for new patients. Through in large part the work of the global fund, the fight against AIDS, TB and malaria has come a long way. It is imperative that we ensure progress is not halted or even reversed. Australia is in a position to show leadership in our support for the global fund and our commitment to its ongoing success.

I therefore support the call from RESULTS for Australia to play an active role in any proposed meeting of donors in the middle of the year to address this funding crisis. I also support the call from RESULTS to have Australia increase its current pledge from $210 million to $310 million to continue to fight these devastating diseases around the world.

Well done, Peter Van Zoeren, Taniele Gofers and David Bailey. They are all wonderful humanitarians and I applaud their very inspiring work on behalf of RESULTS.

The SPEAKER: Order! It being after 10.30pm, the debate is interrupted.

House adjourned at 22:31
The DEPUTY SPEAKER (Ms AE Burke) took the chair at 10:30.

CONSTITUENCY STATEMENTS
Joyce, Ms Brittany

Mrs GASH (Gilmore) (10:30): Last week, in Parliament House Sydney, I was a very proud pollie as my constituent Brittany Joyce, from Nowra, was awarded the prestigious Tom Harvey Award together with a cheque for $2,000 from the Australian Youth Trust. It was presented on Commonwealth Day 2012, the theme of which was 'Connecting Cultures'. The award was presented by Her Excellency Professor Marie Bashir. I would like to record in our House today extracts of what Brittany had to say:

I am a 20 year old aged care nurse from Nowra; I don't see myself as special; I am just an average person dreaming of an above average future, for myself and everyone else. I believe in equality, and hope, and that everyone deserves a chance. I am passionate about making a difference and helping people.

I'd like to start by thanking those people who have supported me with this project; Sir Ian Turboss, Chairman of the Australia Youth Trust and the Commonwealth Day Council for awarding me this and making me feel like my project is worthy.

Joanna Gash, who saw my story in a local paper and believed in my project so much that she sought me out to nominate me for this award.

A big crazy loving family; especially my brothers and their partners, my mum and dad, who always let me dream. My gorgeous partner Bernie, who supports me in my dreams even though they are so different from the life that he imagined for himself before he met me.

I have always valued my family. I was raised with an open mind, brothers who took care of me, spoilt with love and encouraged to be creative, compassionate and unique.

I have lived in Nowra since I was 14, completed year 12 in November 2009. I started work in Osborne House Nursing Home as a Trainee Aged Care Nurse 4 days after finishing school. I love working with people and caring for them.

I have always wanted to travel, but had never been overseas, but I was definitely drawn to Africa. Jacinta and Antipas from Melbourne, have founded the 'Suluhisho Trust', a Kenyan based NGO that helps people living in poverty in the Kisumu area, encouraging people like me to volunteer and experience firsthand what it is like. In Kisumu, I met Mary and the kids.

Africa, to put it simply, is a beautiful chaos. Its like being inside a living organ-ism, there is constant movement and a sense of genuine togetherness. I spent 3 weeks staying at Mary's orphanage and working in local schools and hospitals. I was awed by the display of raw community everywhere I looked and the openness and trust between the locals and visitors.

Mary, the wonderful woman who opened the orphanage with her late husband, is an inspiration, and has become my personal hero. As a woman suffering HIV, and having lost her husband to the disease, Mary decided to start an organisation to support and educate local men, women and children with HIV. Here, people come together to learn their strengths and weaknesses, to share their experiences and help each other. Mary then opened the orphanage and now lives in the home with 22 children, including 2 of her own. These incredible people have nothing. No possessions— not even good health—but they are the happiest, most giving people I've met. To provide for Mary and the children I only needed to raise $550
a month, quite achievable! This provides food, clothing, education, medicines and a small amount for wages for Mary's staff.
I am continually amazed and elated by the support I have been given when people hear my story. My dream is to support people in finding their independence and in doing that find equality improve their way of life.
A truly amazing young Australian, Brittany has been sending $550 each month since August 2011. (Time expired)

Kinnane, Mr Les

Mr NEUMANN (Blair) (10:33): On 13 February, Ipswich lost one of its most extraordinary citizens. Les Kinnane was a dedicated teacher, sports administrator, groundsman and loving family man. Les is survived by his wife, Trish; his children, Brent and Kerry, along with four grandchildren; his parents, Anne and Owen; and his siblings, Margaret, Carmel and Rob. My thoughts and prayers are with them.

Les was born on 13 March 1943 in Bundaberg but moved to Ipswich when he was just five. He was a teacher for almost half a century, having taught at local state schools including Blair, Kruger and Ipswich central. He had been an all-round sports champion from the age of 12. He played cricket, hockey, tennis, rugby league and basketball at Ipswich representative level for two decades. He played rugby union competitively. He continued his love of sport by serving in a range of administrative positions at school, club, Ipswich and Queensland level. He coached cricket, hockey and rugby league from 1963 at school and representative levels. He coached hockey for four years, rugby league for 30 years and cricket for even longer.

He held a number of positions in his life, including serving as President of Ipswich Primary School Sports, Ipswich Basketball Association and Ipswich Primary School Rugby League, while serving as President and Secretary of Ipswich Brothers Cricket Club and Convener of Ipswich Primary School Cricket. He had strong family ties to hockey, mainly through Hancock Brothers, where his children played. His uncles were stalwarts.

But it is cricket for which he is most fondly remembered in Ipswich. After all, Les devoted 40 years to helping young players. On Saturday mornings Les could be seen running coaching clinics throughout Ipswich, particularly at North Ipswich. He encouraged young talent and was most proud of some of the international players who went through his programs, including Shane Watson, Craig McDermott and Melissa Bulow. He was a cricket selector with Queensland primary schools for two decades and volunteered as a cricket curator and groundsman at the Len Johnson cricket oval.

He was a tireless fundraiser. Twice a week he could be seen helping with fundraising raffles at Ipswich RSL and at Raceview Tavern, mostly for the Ipswich Parents and Old Boys association. He took his love of cricket on the road, organising and participating in the Ipswich primary school cricket tour of North Queensland, a tiring 10-day bus trip, every second year since its inception in 1988. He was a life member of Brothers Cricket Club, Ipswich and West Moreton Cricket Association and the Ipswich Parents and Old Boys, to name just a few.

His legacy will live on for decades. In the Ipswich community, he served without fuss and fanfare. Well done, Les. You will be missed by all those people in Ipswich who loved you.
You devoted your life to sport. You devoted your life to Ipswich and to your family. We will miss you greatly.

Queensland State Election

Mr Ewen Jones (Herbert) (10:36): I lend my voice to that of the member for Blair. People like Les are the heart and soul of this country. You find people like that in every community. But I stand today to say that Townsville can finally have a voice in George Street. Finally the residents of Townsville can have state members of parliament prepared to fight for a fair deal for the north of the best state in Australia. For too long we have had three local state members of parliament who simply toe the party line.

We hear a lot from Craig Wallace about his fighting for Townsville. But he was in cabinet when this tired state Labor government spent $300 million on a football stadium for the Gold Coast Suns—a team that did not even exist at the time. He was in cabinet when this dysfunctional state government spent $200 million on a stadium for the Gold Coast Titans—a team that had not even played a game.

Craig Wallace was in cabinet when they spent $1.88 billion on the duplication of the Gateway Bridge, all the while telling the ratepayers of Townsville that they should pay $24 million to flood-proof Blakey's Crossing. Craig Wallace was Minister for Main Roads and in cabinet when he duplicated the Redcliffe Bridge—all the while ignoring the fact that, every time it rains in Townsville, the lower Bohle Bridge goes under, further exacerbating the traffic crawl from his own electorate and for the residents of Townsville's northern beaches.

Craig Wallace was the Minister for Main Roads who let vital funding for flood-prone roads such as Vantassel Street be pulled from Townsville to aid flood-proofing roads in the south-east corner. Craig Wallace, Mandy Johnstone and Lindy Nelson-Carr were all in government when they voted for the Gold Coast to receive more than $1.5 billion to host the Commonwealth Games—a venture that will lose even more state money. Yet all three want Townsville to go without $47.5 million worth of state money for a new convention centre which will provide permanent jobs and income for our city.

With John Hathaway as the candidate for Townsville, David Crisafulli as the LNP candidate for Mundingburra, and Sam Cox as the candidate for Thuringowa, Townsville has the chance to put into government people who will fight for our city's fair share. We need to ensure that our port grows and has a corridor of supply lines capable of filling the ships quickly. We need to ensure that our streets are safe. We need to see that local traffic conditions on state-maintained roads are maintained and improved. We need to ensure that public transport is brought up to speed for those who need it, especially in the Upper Ross. We need to ensure that we have representatives who will, once elected, still be available to the people of Townsville. We need to ensure that those people representing Townsville in a Campbell Newman-led state government will have the leader's ear and push hard for things we need.

John Hathaway is a colonel in the Australian Army. He has a history of delivering projects on time and on budget. His skills as a logistician will be invaluable to Campbell Newman. David Crisafulli is a superb communicator and will no doubt use every opportunity presented and skill he possesses to push the case for the North. Sam Cox is a service provider by trade.
He has been in the customer service business all his life. He knows what it is like to get his hands dirty. *(Time expired)*

**Ross, Mr Peter**

Mr GRAY (Brand—Special Minister of State and Minister for the Public Service and Integrity) (10:39): Today we pay tribute to Peter 'Mangkurla' Ross. Peter was born on 26 February 1927 in Bebington, near Liverpool in the United Kingdom. He died on 27 August 2011. Leaving behind his loved ones when he migrated to Australia just before the Second World War, Peter always had a strong sense of gratitude for and pride in being sent to Australia. He made his name over a 12-year stint, working on the Emanuel family property at Christmas Creek. It was his skilled work on the station's windmills for which Peter became highly regarded. This period will also see Peter forever connected with the Wangkatjungka Walmatjari people who came from south of the Fitzroy River. It was also here that he met his wife, Casey. Peter learned from the Aboriginal stockmen, who taught him how to work on the cattle stations of the Kimberley. He developed a deep respect and understanding for Aboriginal law and culture. He was welcomed into the law and initiated at a ceremony at Christmas Creek. Peter often single-handedly took up the cause of working men and women of the Emanuel family stations. He would push the manager and owners for better conditions for those who were working very hard for not much, or, in the case of Aboriginal people, for next to nothing at all.

Peter's passion for the working people was exemplified by his activism for the Australian Labor Party. Peter founded the Fitzroy Crossing ALP branch and was also an avid Indigenous rights campaigner and an advocate for the rights of working men and women of the Kimberley. Peter Ross also served with distinction as the Fitzroy Crossing representative on the Shire of Derby/West Kimberley Council from 1985 to 1988, and then from 1988 to 1999 he served the local community of Fitzroy Valley as a long-term local justice of the peace. Peter embodied much of what we as a country revere in our bush communities. He had a unique resilience, treated all warmly and was intensely proud of his family and loyal to his friends. He leaves behind a personal family legacy of courage, competence, good humour and leadership and a fundamental belief in the importance of fairness, happiness and hard work.

**Hasluck Electorate: Community Awards**

Mr WYATT (Hasluck) (10:41): I rise today to commend and congratulate some residents of Hasluck who have been recognised recently for their achievements and benevolence in their local community. I feel that this is an important thing for us as parliamentarians to do when we can so that the community can be inspired by these efforts and maybe use them as a catalyst to make their own contribution to volunteering in their local community.

The first I would like to mention is not an individual but a collective of dedicated people in the north of Hasluck. The Swan Valley Visitor Centre was recently awarded the silver medal at the 2011 Qantas Australian Tourism Awards. The City of Swan mayor, Charlie Zannino, was quoted in a newspaper article from *Midland-Kalamunda Reporter* as saying, 'There are 600 visitor centres in Australia, so being recognised in the top two is an amazing achievement.' The Swan Valley is a beautiful part of Hasluck and Western Australia and is home to numerous tourist attractions, such as parks, rapids, wineries and heritage listed buildings. I am proud to have a section of the Swan Valley in the electorate of Hasluck and even prouder that the Swan Valley Visitor Centre was recognised in this manner.
In the south of Hasluck, I would like to recognise the dedication that Gosnells resident Patricia Best displays when promoting understanding about epilepsy in the community. Patricia has epilepsy and a visual impairment. Despite this, she runs the Gosnells Epilepsy Support Group, which has expanded in numbers and distributes important information to sufferers while offering a place to come and talk about their experiences. Her work was recognised by the Rotary Club of Southern Districts, which has awarded her a Shine On Award for community service by a person with a disability. This is an amazing achievement and Patricia's example should act as a beacon to others that, when faced with adversity or a disability, hard work and selflessness can help you to lead a positive and rewarding life. I acknowledge Patricia's amazing efforts to help others.

To the east of Hasluck, I would like to congratulate two people I have had a lot to do with since my time in office: Terry and Carmela Izzard. The husband-and-wife duo are never short of an opinion on how we as parliamentarians can improve people's lives in Western Australia. Whilst they talk the talk, they also certainly walk the talk. They have been recognised in the Hills Gazette for their 'shining example' to others with their volunteering efforts within the local community. I wish them well in this year's 2012 Volunteering WA awards.

In the same edition of the Hills Gazette, a fantastic young man named Aaron Hurst, who is just 16, was featured for winning the Queen's Scout Award. His dedication to the Kalamunda Venturers saw him start his qualifying course in 2010 and he completed it a full year ahead of schedule. This is a remarkable achievement and Aaron's efforts should be held up to the community as a positive example of our young people. Congratulations on your achievement, Aaron. (Time expired)

**Ballarat Electorate: Headspace**

Ms KING (Ballarat—Parliamentary Secretary for Infrastructure and Transport and Parliamentary Secretary for Health and Ageing) (10:44): I rise to update the House on the important progress being made to establish a headspace facility in my electorate of Ballarat. The Gillard government is delivering the largest ever mental health package to Australia. Our mental health package seeks to invest over $2.2 billion over five years, and that is having a significant impact already across the country but certainly in regional areas such as my own. Mental health is a priority for this government and it is certainly a priority for me.

I want to update the House on the progress being achieved on the headspace facility. Last October, I announced that a new headspace centre will be delivered to Ballarat. This followed discussions I convened earlier last year among key relevant community organisations to establish a regional headspace service. It was obvious from the start that there was strong support for this service; The hard work of the Ballarat community is now seeing this project continue to be pushed strongly along.

The latest development is that the Ballarat headspace consortium has appointed David Beaver as the first independent chairperson. I have known David for quite some time. He is currently the CEO of Centacare in Ballarat. He has a strong understanding of the mental healthcare needs of youth across our region, and I know he will make a fantastic contribution in his new role as independent chair. In that role, he will work with the consortium to focus on the needs of the region in the establishment of the Ballarat headspace facility.
In addition to David's appointment last Friday, the Ballarat and District Division of General Practice, which is the lead agency in the headspace consortium, submitted its business plan to headspace. It is pleasing to report that the plan has already identified a possible site for the centre—a strong indication of the momentum being developed around this important initiative. If the business plan is approved, the appointment of a centre management should be completed before the middle of this year and the facility will be opened by the start of 2013. I would like to recognise the hard work of Andrew McPherson, who is the CEO of the lead agency, and I know a lot of discussions have been going on behind the scenes to get this up and running.

Mental health is the single biggest issue facing young Australians and the project is welcomed by the Ballarat community. It will make a significant improvement to the mental health of young people in our region. It is difficult for young people across the community to know where to go when they need help or to have the courage and strength to find somebody to talk to. The Ballarat headspace centre will go a long way to reducing these barriers and I congratulate all for the efficient way that they have progressed in its development.

It is another excellent example of the government's commitment and action in dealing with the critical issues of mental health, particularly where they affect young people. Whether they live in city areas or regional centres such as Ballarat, we want people who have mental health issues to see it in exactly the same way as when you go to the doctor when you are sick. If you have issues around mental health then we will have for young people in Ballarat by 2013 the headspace facility. It should be a very normal part of any of the care of the health and wellbeing of our young people.

**Queensland State Election**

Mr BUCHHOLZ (Wright) (10:47): I rise to inform the House of the good work being undertaken by local candidates in my electorate of Wright in the upcoming state election assisting 'Can-Do' Campbell Newman to restore some type of coalition government to the state. Under 22-plus years of Labor government rule in Queensland, the state is suffering from the scars that Labor normally inflict. The peak forecasted debt in this state is $84 billion. To put what our candidates are having to deal with into some type of context, if we go back to the Paul Keating era, I think the Labor national debt was $97 billion. Queensland's peak debt alone will be $84 billion under a Labor government.

Campbell 'Can-Do' Newman's contribution and trying to turn the state around is going to be made a little bit easier with the quality of candidates that we have in Queensland, particularly Jon Krause from the seat of Beaudesert, which is fully within my electorate. Jon has been tirelessly out on the streets working, bringing people to the electorate to support and strengthen 'Can-Do' Campbell Newman's four pillar profile of enhancing tourism, agriculture, the resources sector and, of course, construction. He has brought Warren Truss through the electorate. He has brought through Mark McArdle, Fiona Simpson, Senator Barnaby Joyce, Andrew Powell—the shadow minister for the environment—and Andrew Cripps. The guy has not stopped. He is a lawyer by trade and used to work with one of the four major banks. He is a very stable guy and I think he will serve his electorate well. We take nothing for granted in that electorate. They are still a week out from polling day.

I would also like to take the opportunity to wish our incumbent members up there all the very best. These are seasoned campaigners: Ian Rickuss from the Lockyer Valley; Ros Bates
from Mudgeeraba, about 9,000 of whose electors are within the seat of Wright; and Dr Alex Douglas from Gaven, about 3,000 of whose voters are within the electorate of Wright. There is also Mike Pucci, a candidate running for the seat of Logan. They are all part of the 'Can-Do' Newman team. Some of the policy reforms that they have squared up are policies like reforming the electricity tariffs, sorting out water prices, scrapping stamp duty on the family homes, scrapping Labor's waste tax, reintroducing regularly tickets to public transport and halving Labor's fare increases on the buses, lifting payroll and tax threshold, restoring front-line services—in particular an extra 1,100 police on the beat and taking 200 police from the back office and putting them out on the beat—and improving access to specialists. In addition to that, Campbell has made it extremely clear that a vote for any other party is a vote for Labor.

**Lindsay Electorate: Penrith Relay for Life**

Mr BRADBURY (Lindsay—Assistant Treasurer and Minister Assisting for Deregulation) (10:50): Over the weekend I had the privilege of attending the Penrith Relay for Life inaugural gala ball. The Cancer Council's Relay for Life has been running in Penrith for the past 12 years. Each year local residents gather to walk around Howell Oval and pass a baton of hope for cancer sufferers and survivors. Through the relay our local community has raised over $1.2m for cancer research, treatment and prevention.

I would like to acknowledge all the unsung heroes, including relay committee members past and present who have made this fantastic event possible, in particular current chairperson Kris Gauci, who works tirelessly for the relay cause. Kris has lost a number of family members to cancer and is determined to contribute to the search for a cure. I also thank co-chair and cancer survivor Melissa Spurrier for all her tireless hard work. I acknowledge the significant contribution of Kevin Aussel in bringing the relay to Penrith. Kevin had Non-Hodgkins Lymphoma at the time of the first relay and saw out two relays before passing away in July 2003. His daughters Barb and Lynn have taken his place with pride on the committee since his passing.

I also acknowledge original chairperson Kath Toovey, who not only kicked off the first Penrith relay but who continues to lend a helping hand each year. You will often see Kath in her high visibility vest directing traffic to the parking area, along with her husband, Trevor. I thank Kath for her efforts to bring this fantastic event to our region. I also recognise current committee members and tireless volunteers, Ross Stein, Yvonne Cassidy, Deidre Chapman, Charlie Oxenham, Greg Sayers, Bruce Saunders, John and Gerard Buchtmann, Samantha Jarnett, Pat Spurrier and Kerry Lynne. I also thank Penrith City Council for their contribution; Clair and Anthony Vella from Beans and Mash Photography; and of course our famous local MC, Rossco Hutchison.

I would also like to acknowledge the many local businesses and organisations who have contributed to the relay over the years, in particular the Penrith Cricket Club, who kindly donate the use of their facilities, and the volunteers from Rotary who offer their services year after year. I also acknowledge the relay subcommittee, who each year run the Ceremony of Hope. In this moving ceremony supporters and volunteers remember those we have lost, celebrate survivors and unite with those who are still fighting.

Penrith Relay for Life is a wonderful event that unites our local community in a common goal, to help find a cure for cancer. I look forward to seeing a baton of hope being passed
around Howell Oval at the relay this year and for as many years into the future as we need to in order to find a cure to this terrible disease.

**Coastguard Brisbane**

Mr VASTA (Bonner) (10:53): It is with great pleasure that I rise this morning to give my full support to the recommendation that 45 volunteers from the Australian Volunteer Coastguard Flotilla, known as Coastguard Brisbane, receive the National Emergency Medal for their significant service to the community during the Brisbane flood crisis in January 2011. These 45 coastguard volunteers from Queensland Flotilla 2 were the first to respond to a call for help from the Brisbane Water Police when a flood emergency was declared in Brisbane and surrounding areas on 10 January 2011. They provided significant service in direct response to the flood emergency, protecting lives and property.

I feel that the significant service from 45 unpaid volunteers in direct support of the emergency flood response for the entire duration of the flood emergency in Brisbane and Ipswich clearly went beyond ordinary coastguard duties and therefore represents extraordinary service. The dedication and selflessness of these 45 volunteers from Coastguard Brisbane saved precious lives and I believe their actions to be those of true heroes. As the federal member for Bonner, I have no hesitation in throwing my full support behind these great people and wholeheartedly recommend that each member of Coastguard Brisbane who served our community so significantly during the Queensland flood emergency of January 2011 should receive the National Emergency Medal. They are Steven Allen, Darren Bennett, Neil Bensley, Craig Bowen, Mark Bray, Stephanie Bray, Paul Burchell, Kevin Condon, Rex Coombes, Steven Creevey, Greg Dyer, Jason Ferrari, Bruce Fleming, Steven Fleming, Gabe Giaccio, Mark Glover, Christian Hager, Shane Hall, Terry Heathcote, Daniel Hunt, Peter Liddle, Guy McEntyre, Allen Penman, John Philp, Brian Prescott, Peter Ratcliffe, Scott Rieck, David Richards, Michelle Richards, Aaron Riddle, Rhiannon Shaw, Harvey Shore, Stuart Smallley, Allan Tennent, Graeme Thompson, Malcolm Walker, Peter Walter, Shayne Whitlock, Owen Wills, Alana Wood and Don Young, as well as Lurlene Bowen, Ron Foster, Brian Lloyd and Beverley Tyrrell. Thank you again on behalf of the Australian parliament.

**Corio Electorate: Encompass@Leopold**

Mr MARLES (Corio—Parliamentary Secretary for Pacific Island Affairs and Parliamentary Secretary for Foreign Affairs) (10:55): With Easter around the corner and my thoughts, rather involuntarily, turning to chocolate, I am reminded of a visit I made earlier this year to Encompass@Leopold, a very special place on the Bellarine Peninsula in my electorate. Encompass@Leopold is a horticultural and life skills training centre of excellence that is helping to empower people living with a disability. On this small acreage, a former family home and its grounds have been turned over to vegetable and herb gardens, free-range chickens, a worm farm, a sensory garden and state-of-the-art hothouses. Within these hothouses an ambitious project is under way. Encompass@Leopold wants to grow cocoa and ultimately turn that cocoa into chocolate.

I say this is an ambitious project because cocoa is not what you would expect to find growing in a seasonal climate such as the one we enjoy in Geelong. But defying the odds is something Encompass do not shy away from. Their person-centred approach to training people with a disability—whether it is through learning to build gardens, grow food or cook a meal—is providing these trainees with job skills and social skills that will allow them to live...
the life they want, with greater independence. It is about enabling them to make their own choices so that, instead of needing help from other people, they will be the experts, whether as gardeners, landscapers or cooks. At any one time there are 35 people living with a disability benefiting from the nurturing and instructive environment on the farm. Those 35 include a group taking part in a youth program and people living with mental illness.

Encompass is a registered training provider and its specialist employment service has also been able to use the facility. The results in just three years are astounding. Garden produce such as tomatoes, zucchini, lettuce, beans, garlic, peas and leeks are being produced in such abundance that there is enough to use in the farm's cooking program, as well as the Encompass catering service, Munch 'n' Crunch at the Norlane Neighbourhood House. Any quality leftovers go to the Give Where You Live food bank. On the farm, as much as can be, all is re-used and recycled. Nothing is wasted.

There is also a whole-of-community approach that is reaping rewards—community groups going along and pitching in with their skills so that everyone is learning and benefiting. Along with cocoa, the farm wants to try growing other hothouse plants such as coffee, capsicum and basil. I wish them luck, since as always bunnies of a non-chocolate variety are also enjoying the fruits of their labour and becoming well fed in the process. When you consider the hurdles these people have had to overcome in their lives, the task of producing Geelong's first ever locally grown and manufactured chocolate would seem to me to be a piece of cake.

The DEPUTY SPEAKER (Ms AE Burke): Order! In accordance with standing order 193 the time for constituency statements has concluded.

BILLS

Migration Legislation Amendment (The Bali Process) Bill 2012

Second Reading

Mr OAKESHOTT (Lyne) (10:58): I move:

That this bill be now read a second time.

Let us cut to the chase in what has been the worst policy debate for Australian public policy in at least the past 20 years. The truth is that 148 of the 150 members of parliament in the House of Representatives agree that offshore assessment should be an option for executive government. 150 MPs recognise the status and worth of the Bali process as very good bipartisan work done in the regional Asia-Pacific forum. No MPs want lives lost at sea because the 43rd Parliament cannot resolve something that the vast majority of MPs want resolved. So I say to colleagues again: why can't we pass legislation through the House that 148 MPs, at least, support in principle?

I have asked all MPs to read and get to know the principles of the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime. They were circulated to colleagues last week. For me, they address the failure of the domestic policy debate in trying to deal with people smuggling via an asylum seeker and refugee debate. That will never provide a suitable answer for sustainable policy on people smuggling. Instead, we should look at the international bipartisan forum that focuses on people smuggling if we really do want to deal with this topic. The Bali process is it. Therefore, rather than questioning bilateralism within a humanitarian framework, we should be actively encouraging it, not just for Malaysia but for many creative and cooperative options. So long as there is a humanitarian backbone in
any arrangement, so long as there is oversight by the parliament of any arrangement, we
should be encouraging rather than discouraging such regional work.

This bill, the Migration Legislation Amendment (The Bali Process) Bill 2012, does it. It
strongly encourages bilateral and multilateral regional agreements on people smuggling and
does so within a recognised bipartisan, humanitarian framework. Yet, despite the support of
148 MPs in principle, we need to deal with the straw man in the room. I saw again today that
Mr Abbott will not support anything offshore unless it is with UN refugee convention
signatories only. This is not the position Mr Abbott and Mr Morrison took to the last election,
and they have no mandate for this position. Worse, they are now arguing the complete
opposite of what they took to the election and the complete opposite of what is on their own
personal websites right now. In my view, they are all at sea on this key point of the
importance of signatory status with regard to the UN refugee convention. I will read out
several quotes from Mr Morrison's own website. Here is the first one, about the UN refugee
convention:
The Convention provides no permanent rights to refugee status at all.
Here is the second:
… the Refugee Convention is not infallible …
Here is another one:
A refugee in one jurisdiction is just as likely to be assessed as an economic migrant in another.
And here is another:
Non-refoulement is the core protection provided by the Convention. This is now a welcome and
generally accepted principle of international law, regardless of nation's signatory status. It transcends
the convention.

Mr Morrison: True.

Mr OAKESHOTT: I agree. I am hearing from Mr Morrison that it is all true. I agree with
that. But let us not worry about onshore and offshore issues. Let us explore online and offline
Scott Morrison and Tony Abbott. Online we see 'sensible Scott', who has just been saying he
agrees—

Mr Morrison: The member for Cook!

The DEPUTY SPEAKER: The member for Lyne needs to use people's appropriate titles.

Mr OAKESHOTT: He has been talking about the principles within the refugee
collection and their importance that transcends signatory status. Yet offline, for the press
gallery, for talkback radio and for his leader, Tony Abbott, we see the complete opposite. If it
is about a truth and values campaign that is being run pre-election and about who said what
pre-election and post-election, this cuts to the heart of that position with regard to the
coalition on migration policy. I raise this for two reasons. One is to expose the absolute front
of the political positioning with regard to this topic. The second is an important one with
regard to policy, and that is that online Scott Morrison—

The DEPUTY SPEAKER: The member needs to use the member's title.

Mr OAKESHOTT: has a sensible position and a position that strongly supports this
parliament supporting my bill. The coalition does have ownership of the Bali process. It is a
good process. It deserves to be supported. This bill puts the Bali process as the framework for
allowing executive government to make decisions to deal with people smuggling in as humanitarian a way as we can, as per the member for Cook's very own website. *(Time expired)*

**Mr MORRISON** (Cook) (11:04): I am not surprised the member for Lyne would come into this place and seek to attack the coalition. He has done that on many occasions and he has shown more loyalty to the Prime Minister than at least 31 of the Prime Minister's own colleagues, including the member who is at the table today.

*Ms Hall interjecting—*

**The DEPUTY SPEAKER:** The member for Shortland will resume her seat. The member for Cook has five minutes and he will be relevant to the bill or I will sit him down. The member for Cook has the call.

**Mr MORRISON:** Thank you, Madam Deputy Speaker. I was just addressing the previous member's remarks and attacks on the coalition.

In August last year the High Court struck down the government's Malaysian people swap because of the failure of that arrangement to satisfy the human rights protections set out in section 198A of the Migration Act. Rather than seek to create a new and more objective test to ensure that human rights protections were maintained for offshore processing, the government simply sought to abolish them. The coalition rightly rejected this approach. Instead the coalition proposed an amendment after the High Court decision to insert into the act a new, more objective test for human rights protections—that any country to be designated an offshore processing country must be a signatory to the refugee convention.

The coalition's amendment to the government's bill provided a clear, objective and universally recognised standard of protection that does not require judicial interpretation. That was the position we adopted for good reason after the decision of the High Court. The member for Lyne claims that the bill before us, the Migration Legislation Amendment (The Bali Process) Bill 2012, incorporates the coalition's amendments to the government's legislation. It simply does not. The coalition only had one amendment to the government's legislation and it is not included in this bill.

The member for Lyne's bill restates the government's bill by repealing section 198A and fails to replace it with a binding human rights protection measure that can be objectively determined, thereby constraining the scope for judicial review, which was a key purpose of our amendment. This is the only objective standard that creates legally binding obligations available to establish the presence of protections. Paragraph 117 of the High Court judgment on the Malaysian people swap makes this position very clear. It states:

What is clear is that signatories to the Refugees Convention and the Refugees Protocol are bound to accord to those who have been determined to be refugees the rights that are specified in those instruments including the rights earlier described.

Paragraph 125 also states:

A country "provides access" to effective procedures for assessing the need for protection of persons seeking asylum of the kind described in s 198A(3)(a)(i) … if it is bound, as a matter of international obligation …

The argument that the inclusion of nonrefoulement and orderly assessment provisions in section 198AB accommodates the coalition's amendment completely fails to understand the
purpose of our amendment and indeed the High Court decision. This bill explicitly now states in section 198AB(6) that the protections proposed—or assurances, they are termed—are not legally binding. In addition, the selection of the Bali process as the alternative test to the UN refugee convention fails to understand the role and purpose of that forum. We should know; we introduced it. Participation in that forum creates no obligation on participating members, let alone obligations that are legally binding.

The member for Lyne's claim that this bill provides higher humanitarian standards than have ever existed in Australia before is completely false. The fact is that this bill would allow the Malaysian people swap deal to proceed. That is proof enough. However, as noted, the protections the member for Lyne advocates are not legally binding.

Mr MORRISON: This makes them deficient to the provisions currently in the act that he proposes to abolish that were established by the coalition and that were used by the High Court to strike down the Malaysian people swap. They are also deficient to the coalition amendment, as the UN refugee convention creates legally binding obligations. There are other problems with this bill, and I will be inviting the minister to make his observations on those.

The DEPUTY SPEAKER: I do not think that is up to the member for Cook.

Mr MORRISON: I am sure that he will be equally concerned about the definition of 'party' within this to the Bali process. The definition is ambiguous and it creates further legal opportunities, I think, to create uncertainty around this issue. Secondly, the bill requires the rules of natural justice to apply. That is something the minister himself in his own bill around this matter sought to have removed. Thirdly, the bill establishes the designation of an offshore processing country as a legislative instrument.

Mr Oakeshott: You've flipped!

The DEPUTY SPEAKER: Order! The member for Lyne might be my first throw from the chamber.

Mr MORRISON: That means that that would completely put before the parliament complete discretion to enable the parliament to overturn any decision of an executive government, even if it were to accord with the requirement that it be a signatory to the convention.

This bill is no more than a carbon copy of the government's bill. Its attempt to rebirth the Malaysian people swap is no surprise. The member for Lyne is clearly doing the government's bidding, as always. (Time expired)

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (11:09): I rise to indicate the government's support for the Migration Legislation Amendment (The Bali Process) Bill 2012 moved by the honourable member for Lyne. I also indicate the government's intention to move some amendments based on legal and operational advice to improve the workability of the bill in practice. I welcome this move by the member for Lyne to find a way through the political impasse caused by the negativity of the opposition and their relentless opportunism. I am disappointed that the member for Cook is leaving the chamber because he does not want to be held to account for the inconsistencies in his contribution just a moment ago.
As the honourable member for Lyne indicated in his speech, 148 out of the 150 members of the House of Representatives recognise the need for offshore processing as an effective deterrent for dangerous boat travel to Australia. In fairness to the member for Denison and the member for Melbourne, while we fundamentally disagree with them, they have always held the position that there should not be offshore processing. But 148 other members indicate that they support offshore processing. But only those on the government side and some of the crossbenchers are prepared to put their vote where their mouth is by supporting either the government's legislation or the legislation moved by the honourable member for Lyne.

The opposition has stood in the way of legislation to allow offshore processing. It has ducked and weaved and introduced a spurious amendment designed solely and cynically to ensure that the government's arrangements with Malaysia cannot proceed. The member for Cook, in his remarks a few moments ago, said that we fail to understand the purpose of his amendment. We understand it very well: the purpose of his amendment is to stop the Malaysian agreement proceeding. Why? Because they are scared it will work. They are scared it will provide a deterrent for the dangerous boat travel to Australia. They are scared that a political issue for them will disappear.

We have heard from the honourable member for Cook and others about the importance of the refugee convention. I would be prepared to give the benefit of the doubt to the opposition—that they had reflected on their position and reached a different position after reflection—if it were not for the hypocrisy shown by the fact that it remains their policy to turn boats around to a country that is not a signatory to the refugee convention, Indonesia. Just on the weekend we saw a very significant development in this field. It was the position of the opposition, up until the weekend, that they would turn boats around to Indonesia but that they would negotiate protections with Indonesia, presumably of a similar nature to those in the Malaysia agreement. They would negotiate. The Leader of the Opposition said that it would be fairly easy to negotiate these protections with Indonesia to ensure non-refoulement and other necessary treatment.

We saw the foreign minister of Indonesia in this building on Thursday describe the concept of turning boats around to Indonesia as impossible and ill-advised. He went on to say that Indonesia would take to a proposal from the opposition should they ever form a government. What was the response of the Leader of the Opposition and the member for Cook? Their response was to say, 'We don't care what Indonesia says. We'll do it anyway.' So much for negotiating protections; so much for negotiating some sort of mechanism to ensure that people are not refouled or that there is necessary and appropriate treatment for people returned. That has all gone out the window. They are going to turn boats around regardless of what Indonesia says.

This government believes in offshore processing because as part of a proper regional framework, through the Bali process—which ensures that the product that people smugglers choose to sell, which is permanent resettlement to Australia, is withdrawn—offshore processing can play a very important role in providing the disincentive for boat travel to Australia. This is very important. This saves lives. If this bill passes, it will save lives. That is how important it is. It will save the lives of people who are trying to get to Australia. It will enable us not only to implement the Malaysia agreement but also to say to people, 'We do not ask you to risk your life to get to Australia in order to provide you with a permanent visa.' We
will be able to increase our refugee resettlement to Australia and we will be able to say to people, 'There is nothing moral or humanitarian about encouraging people to risk their lives to come to Australia.'

I am flagging that I will move amendments. The opposition says that this is a carbon copy and then points out the differences between the bill that I introduced in the House and the bill that the honourable member for Lyne has introduced. But I will be moving a handful of amendments which deal with the matter of assessing who is a participant in the Bali process—I will be moving that that be based on written advice from the Secretary of the Department of Foreign Affairs and Trade—a safety valve to allow discretion for the minister, and some additional checks and balances to ensure that the bill is implemented appropriately. I commend the bill to the House. I commend the member for Lyne for his constructive approach, which is clearly different to the destructive approach taken by members of the—(Time expired)

Mr Keenan (Stirling) (11:14): We need to realise why we are debating, yet again, measures in relation to offshore processing and in relation to stopping people smuggling. When the Labor Party came to office in 2007, they inherited a situation in which the previous Howard government had stopped people smuggling. We need to be very clear about that. We faced this situation at the turn of the millennium—2000-01—when the Howard government took tough but necessary measures that stopped people smuggling dead in its tracks. Once those measures were taken, the message went out loud and clear to people smugglers that Australia was closed for business. Once that message went out, and when the people smugglers tested the government and found that it did not buckle—the government stuck to its guns and insisted that Australia would remain in charge of who comes to Australia—the people smugglers got the message that they were not going to be welcome to practise their evil trade of bringing people into Australia illegally anymore. Once that message was sent, people smuggling stopped dead in its tracks, and the empirical evidence is impossible to argue.

From 2002 to 2007 we had in this country, on average, three illegal boat arrivals per year. Under this government we could have three in 48 hours. What happened once this evil trade was driven from business, was that the Labor Party thought they could come into office and make changes to that robust system of border protection without there being any consequences. So, when the Labor Party came to office, the then Minister for Immigration and Citizenship, Senator Chris Evans, said that the dismantling of those tough measures—that is, offshore processing on the island nation of Nauru, and on Manus Island, PNG; temporary protection visas; and turning the boats back when it was appropriate and safe to do so—was his proudest day in office. That occurred in August 2008. From September 2008, people smugglers literally went back into business. From September 2008, one month after those changes were made, people smugglers again started to bring people to Australia illegally. And the situation accelerated, because the more success people smugglers have, the more the message goes back to the international community that Australia remains a soft touch and that people smugglers are going to be welcome to continue to ply their evil trade. Since that time, since August 2008, when the Labor Party made those quite frankly stupid decisions, we have had almost 16,000 people on almost 300 boats arrive in Australia illegally, courtesy of
The Labor Party's response has been to adopt every possible policy prescription except one that actually works, and sadly the Migration Legislation Amendment (The Bali Process) Bill 2012, which we are discussing today, brought in by the member for Lyne, is just a continuation of these failed policies. The idea that people want to see us 'compromise'—so-called—on offshore processing negates, I think, what the Australian people are actually looking for when it comes to people smuggling and people coming to Australia illegally. What the Australian people are looking for—what they tell me loud and clear when they raise this issue with me—is a solution. They do not want any more failed plans and they do not want any more of the gymnastics that we have seen from the Labor Party—adopting different positions but never actually adopting one that is going to work. They want the Australian government to adopt a position that is actually going to send the message loud and clear to people smugglers that Australia is no longer a soft touch and our borders are now closed. We will not do that until we adopt the full suite of measures that the coalition has used in the past to stop people smuggling. We need offshore processing but we need it on the island nation of Nauru or in another country which has adopted appropriate human rights protections—that is, a country that is a signatory to the UN convention on refugees—something that the minister, who just came in with his usual bluff and bluster, said not long ago was the right thing to do. In fact, he said it was morally imperative that we process people only in countries that have been signatories to that convention.

We also need to return to temporary protection visas. The product that people smugglers sell is permanent residence in Australia and when you undermine that you undermine that product. We also need to turn the boats back to Indonesia, from whence they came, when it is safe and appropriate to do so. (Time expired)

**Mr JENKINS** (Scullin) (11:20): I have pleasure in rising to support this bill as it is to be amended by the government at later stages in discussion of the bill. This is an opportunity for this parliament to actually put its stamp on a solution to a problem and to have a solution to the problem that is apt for the second decade of the 21st century. To hear those opposite yearn for domestic policies of a decade ago without putting them in a regional or global context is sickening.

The member for Cook acknowledges that the Bali process was something put in place by a coalition government. The purpose, of course, of the Bali process was to handle the large influx of asylum seekers and to combat human trafficking in our region. Over 40 countries are members of the Bali process. International organisations such as the IOM and UNHCR are active participants. We are proud that this is a piece of policy, in an international sense, of Australia. Australia and Indonesia chair the Bali process; the steering committee has these two countries being joined by New Zealand and Thailand. What it does is in fact look at many of the issues that have been raised in this debate but, disappointingly, without great imagination by those opposite in the coalition.

One of the purposes of the Bali process is to assist countries to adopt best practices in asylum management in accordance with the principles of the refugee convention. Those opposite tell us that it is too hard to get involved, to sit down with the countries of the region and come up with a process that achieves that. Simply putting a signature on a piece of paper...
does not mean that that is going to happen. Look at Malaysia. Go to Malaysia. Understand how detention centres there actually operate. Understand how asylum seeker legislation actually operates, because there ain't much asylum seeker legislation.

The UNHCR, by de facto, are in charge of the processing of claims made by people who find themselves in Malaysia. They have gone out of their way to ensure that the dignity of these people is preserved, that they are given opportunities for economic development. Look at the actions of IOM in Sri Lanka, where they are involved in economic processes and projects to ensure that those that would leave a source country like Sri Lanka do not have reasons to leave that source country. We then look at what is happening in Malaysia and Indonesia, which are countries in transit. It galls me that a little over two years ago it was the President of the Republic of Indonesia that had to place on record statements that they have a greater understanding of the problems that confront Australia than the coalition can. He indicated the imperative of the Bali process, which recognises that people smuggling is a regional problem that requires a regional solution involving the origin, transit and destination countries working together. Two years after President Yudhoyono placed that on the record in his speech to the Australian parliament, we had to have the foreign minister of the Republic of Indonesia in a press conference in this place last week yet again remind the coalition of the importance of this cooperative attitude to the way in which we look at the problem of people smuggling throughout the region, and to look at it as a continuum.

In part, this is what this piece of legislation attempts to do. It attempts to recognise that the solution to this is putting in place regional processing centres. Under the agreement between Australia and Malaysia, that was what was to be achieved in Malaysia. This now enacts the legal niceties which would enable that to happen. It would enable that to happen in other places if, in fact, future governments decided that that should happen. That is what perplexes the Australian public. We have a piece of legislation that is being offered to the Australian parliament which would give this government the opportunity to put in place its agreement with Malaysia, and it would give any future government the opportunity to put in place any solution that they thought best fitted. I do not understand why we cannot continue to have this agreement. This piece of legislation enables the Australian parliament to deal with this in a positive manner. (Time expired)

Debate adjourned.

MOTIONS
Careers in Agriculture

Debate resumed on motion by Dr Stone:

That this House:

(1) notes that the Australian agricultural industry offers excellent career opportunities, including:
   (a) approximately 100,000 jobs in the agricultural sector;
   (b) 2.5 jobs for every agricultural graduate; and
   (c) a diverse range of careers requiring a wide range of skill levels;

(2) acknowledges that responding to the expanding global food task will require Australia to substantially upskill and increase the size of its agribusiness workforce;
(3) recognises that there are declining participation rates and graduates in the agriculture sector as tertiary agricultural science courses offerings decline, and secondary school students do not take up undergraduate courses; and

(4) calls on the Government to:

(a) resource the promotion of careers in agriculture through the primary and secondary school system;

(b) provide incentives for universities to offer agricultural science courses; and

(c) encourage industry in the development of agribusiness educational and training resource material.

**Dr STONE** (Murray) (11:25): This is a very important motion which I am bringing to the House today, supported by a number of my colleagues from the coalition, because we do have a crisis right now—a crisis in the number of agriculture-related courses being offered, in the numbers of graduates, in the demands and needs of agribusiness in Australia and in the growing global food task that we are in danger of not being able to meet.

The Australian agricultural industry does have excellent career opportunities. There are over 100,000 jobs in the agricultural sector right across Australia, whether in horticulture or in other production sectors in animal husbandry or in cropping, whether in research and development or in the growing of markets for produce. There is a wide range of domestic and international jobs associated with the agricultural sector. Yet we have a situation in Australia today where there are fewer people working in agribusiness when compared to any other sector, given the size and the contribution of the sector to Australia's economy. There is a diverse range of career opportunities which require a whole range of skill levels.

We have an understanding of the growing food task internationally. Part of that global food task is the need for more refined foods and higher value foods. Australia is amazingly well-situated to provide much of the value for exports into that growing global food market, yet we have this crisis back home.

We also have to recognise that it is not just a matter of throwing dollars at increasing the numbers of places, or subsidised places, with registered training organisations, in TAFE institutions or at universities, although that is a very important part of the solution. I note that today—and I have no doubt that the speaker to follow me will stress this long and hard—the government has reannounced the commitment it made in the last budget to further education and training. The tragedy, when you look at what the government has committed to the area of agribusiness training and at what grants have been put into the system, is that virtually nothing has gone to this agricultural education sector. For decades now, it has been hugely ignored.

There is a skills deficit crisis in the agricultural sector. Across the nation, the agrifood industry is facing a critical lack of people. In 2012, the decline in Australian agriculture related graduate rates, the decline in the numbers of agricultural science and agribusiness academics, the decline in the levels of agricultural sector research and development, and the slowing rate of agricultural productivity growth are all indisputable and well-documented facts.

On the other hand, the opportunities for agribusiness production and domestic and export sales are growing exponentially. We are in a situation where we could meet the demands; but we are starving the sector of trained personnel. The number of agricultural graduates
produced nationally falls short of the calculated needs by a factor of as much as 6 to 1. In particular, there are very few graduates taking up the opportunity to take a higher degree by research in agriculture—these would be the innovators of the next generation. This is not altogether surprising, given that the postgraduate research scholarships on offer hover around the poverty line level of support, paying much less than a graduate salary, and there is also a focus on short-term projects funded by soft money, as many have observed. As a person in your late 20s, if you want to go into postgraduate research you really have to have someone else paying your way. In comparison with other sectors in the economy, agriculture has a far lower proportion of graduates working in it. It has also been found that when an agricultural enterprise employs relevant graduates they have measurable increases in productivity. If you can find yourself a graduate, you know that they are going to do more than earn their keep in a very short time. In a 2009 submission to the Prime Minister's Science, Engineering and Innovation Council the Australian Council of Deans of Agriculture stated:

Maintaining the productivity of agriculture and helping the industry meet future challenges, including climate change, will require underpinning research together with strong professional input and a well trained production workforce. The low number of graduates and doctoral students entering agriculture puts this at risk.

We know the farm dependent economy represents about 12 per cent of the national GNP. The industry exports around two-thirds of what it produces and contributes in the order of 15 per cent to 20 per cent of export earnings to the national economy. Yet there has been a steady decline in the output of graduates in agriculture from universities, TAFEs and anywhere else you can find them over the last decade and that is despite the fact that jobs are going begging.

Why have we got this enormous disconnect between jobs available and future demand for the output of the sector and younger people prepared to go into this industry? Another dimension of this is the ageing population of the agricultural sector. What is the problem? The problem quite simply is a loss of a sense of a future in this industry sector. It has been hard hit by government policy, particularly in the last five years. Take, for example, the Murray-Darling Basin Authority. We have just met with representatives of the National Irrigators Council a few steps from here and those irrigators right around the Murray-Darling Basin say to us: 'Give us a break. We can prosper in the agribusiness sector of Australia. We are some of the world's most innovative and highly productive rice growers. We still have the capacity to grow some of the finest wool fibre in the world. We do a magnificent job with our fruit and dairy production at low costs. Our competitors internationally are 40 per cent subsidised. Australia's highest level of agriculture subsidy never gets above four per cent. We with New Zealand are the lowest in terms of government support in the globe in a developed country.'

Farmers are being hit hard by the carbon tax costs coming down the line and by the taking of irrigation water for no justifiable or demonstrable environmental outcome. Farmers are environmentalists. The people who work in agribusiness are environmentalists—they have to be to survive—but when they are told that they will be the ones who will earn the green votes for Labor by transferring their water from the food and fibre production account to the environment in the Basin Plan with no demonstrable outcome for the environment then farmers lose heart. No wonder their sons and daughters, the younger generation of rural based people, who could be going to regional universities, TAFE colleges or RTOs, look at their parents working so hard, investing incredible amounts in assets—$2 million to $3 million to start a farm—look at the high risk in the sector, given this government's response to it, and
say: 'It's not for us. We will go and earn a salary somewhere in the public sector. We will go across to the mining sector. Agribusiness is too hard for us to invest years in training and then expect a reasonable career.' This is a tragedy for this country. This really must be re-addressed.

The Australian population has to understand where food comes from. We have just seen amazing research which found that a lot of our children think that avocados are manufactured and that a dairy product is not something that comes from an animal. They do not know that socks are made of a fibre that is grown on a plant. There is this enormous disconnect between what our Australian population understands about their food security and their fibre, and who produces it and how. This has to change if we are going to have a future for agribusiness in Australia. Our universities have to be given a lot more support in terms of bursaries and cadetships. Our younger people have to be resold the notion that agribusiness is a magnificent sector and one with an enormous future that they have to grasp with both hands. We have to make sure that our smaller primary schools and secondary schools which have land attached to them—they often do—are developed for agribusiness studies. A whole range of jobs have to be done right now. The sector cannot do it by themselves. They need a partnership with state and federal governments. That partnership is going begging as far as the federal government is concerned, and I am sure that in a few minutes we will be told by the government's representative that it is all okay because a few hundreds of millions or a billion or so were thrown at it in the last budget. That is not good enough. We have to make sure that our training establishments have the resources to offer good courses and that the marketing of agribusiness is effectively and appropriately managed in Australia. It is not just a case of changing the name 'agriculture'; it is about making sure that the prospects for the sector are well understood and that we have our brightest and best men and women entering agriculture. That focus will probably need to be with our tertiary institutions in the regions.

Mr SIDEBOTTOM (Braddon—Parliamentary Secretary for Agriculture, Fisheries and Forestry) (11:35): I thank my birth mate, the member for Murray, for putting this motion forward. I agree with many of the sentiments of the member for Murray but I just do not agree with some of the political assessments that came from it. But I will agree with the member for Murray when she quite rightly mentioned that we have had decades of neglect and not necessarily neglect in just the last five years. There is no doubt that we very much need active, realistic partnerships with industry and with local, state and federal governments.

We recognise that Australian farmers do the hard work involved in producing, processing, handling and selling produce from something like 136,000 farm businesses across the country, 99 per cent of which are owned by Australians. The work generates something like $405 billion each year. This is a staggering figure. In addition, Australian farmers make a significant contribution to feeding people in a range of countries overseas and to global food security. In our own region, by 2020 half the world's population will be on Australia's doorstep, which represents an unparalleled opportunity for our farmers and the farm sectors.

More recently, positive news was put out by ABARES and by KPMG, in its Expanding horizons report. Most of the data clearly indicates that the Australian agricultural sector has for the first time in many years something positive to look forward to. We need—and I agree with the member for Murray—to encourage, nurture and support this vital industry.
The other thing we need to be careful of is the matter of people associating agriculture with farming—and there is nothing wrong with this. Farming is absolutely crucial but agriculture is more than just farming. The industry itself goes right across the board. It is like the food chain. One end is developing technologies and innovations that follow right through the whole chain of farming and agriculture, and these developments go right through to transport, to developing different species of plants or fibres or whatever else the case may be. This extends through to the transport system, to people providing for those on farms and to scientists—right across the board, as the member for Murray quite rightly pointed out.

So, when we talk about agriculture we are talking about exciting prospects. Yet, as the member for Murray quite rightly pointed out, in the *Food fibre and the future* ACER report, which was released recently, what was terrifying was not so much the trivial pursuit stuff about where yoghurt comes from. We have to be fair about this. In our day we had families related to people on the land so you actually visited the farm and had some idea of what farmers did and what was involved in farming. You saw a relationship between what happened there and what was going on in the supermarket shelves and what was happening in your house, because you actually did it on the spot. So, I can understand the trivial pursuit thing: where is yoghurt from—some kids thought cotton came from the moon—and so forth.

What really upset me about this was the lack of appreciation by teachers and students of associating innovation and agriculture. I have just been doing some reading about the early New South Wales colony, and we would not have survived without innovation by those very early farmers. The whole history of Australian agriculture is a history of innovation. Yet in the Food, Fibre and the Future survey, barely the majority of students associated innovation with agriculture. There seemed to be no relationship. It was phenomenal. What made it even worse, when you analysed the figures, was that many students thought there was little relationship between science and agriculture, little development and change of inputs into agriculture for a productive outcome. It was extraordinary. I do not know what they think happens in our farming enterprises and in agriculture, but all I can tell you is that that survey was a worry.

How do we go about trying to correct some of this? That is part of what the Member for Murray has raised. This government is keen to do something about it in a practical sense. The National Farmers Federation is doing something, with its Blueprint for Australian Agriculture, and we are, with the national food plan, trying to develop with the industry. I attended a workshop recently hosted by the National Farmers Federation—a very good one with many industry representatives. One of the things that came out from that forum was that the industry needed to talk with one voice.

Everybody in this chamber is very supportive of this industry. I know you are. I have listened to you over the years. You have come forward with terrific ideas. Irrespective of the politics, we need to get it on the agenda. When you have 100 representatives from different aspects of the industry and they are all asking for different things at times—yet when you really sift through it they are asking for similar things—you have to say to yourself that the industry has a responsibility to get itself organised so that it presents an appropriate image to the public, to the government and to itself about what it is and where it wants to be, particularly by 2050. I do not know, colleagues, whether you have had an opportunity yet to
have a look at the KPMG's *Expanding horizons: key highlights, agribusiness in Australia 2011/12*. It is worth a look. It looks towards trying to get some coherence in terms of industry, government and community about where agriculture and agricultural businesses should be in the future. That means working more collaboratively, having a coherent view and being able to present that.

One of the other things that tends to emerge from this—and I do not want to be too negative about this—is to do with the image of the industry. The industry has responsibility in this regard—along with us; we are stewards equally with the industry, both the government and the representatives of parties that may form government. What is the image of the industry itself? The industry has been going through very difficult times for well over a decade. The problem is that what the public tend to get and the media tend to push is the negatives, the challenges, the problems. Yet when you meet and talk with farmers, farming organisations and representatives, you find energetic, enthusiastic, hard-headed, realistic, frank-talking people who tell it as it is. They often tell you how serious it is and then, when you dig deeper with them—excuse the pun—when you go beyond the surface, they also tell you how fantastic it is, what prospects are available, what opportunities exist. The ABARES materials, which we are all aware of now, clearly point out that agriculture has a fantastic future, not just here but in feeding the world.

I had the great privilege recently of leading a delegation into the ASEAN region, and some of the messages that came out of it were very positive, including, first and foremost, Australia's fantastic reputation for having innovative food and fibre manufacturers and producers. So take a pat on the back. We do not encourage or nurture that enough. The second thing that came through is the whole framework of food safety about our agriculture products, in particular, and the produce that we export. It is food security in the sense of not just being able to grow it but also certification. I know we overregulate; I know we get problems with this all the time. Australian food is safe and secure and we can develop and expand it—and they want it. We have a burgeoning middle class ready to buy premium product, and we need to get on that wagon. The third thing they said is, 'Why are you afraid of our investment? We want to co-invest with you; we want to be part of your production; we want to be part of your processing. Use our marketing techniques and our abilities and networks and come over here and train instead of us going the other way so we can participate in this with you.' So we do have terrific opportunities. I agree with the member for Murray. We all have to do a lot more about it, and that goes for the industries and training organisations as well.

**Mr BRUCE SCOTT** (Maranoa—Second Deputy Speaker) (11:45): I want to congratulate the member for Murray for putting this motion before the House. It is one of those very critical issues that could be lost in the general discussion or the political thrust of this place, but let us hope it is not. Let us hope that people on both sides of this House will rise to the challenge that is before all of us.

This year has been designated the Australian Year of the Farmer, and there is no better opportunity than to keep a debate like this going every week in this place. Too often I hear people on both sides of the House talking about people in a derogatory way and saying, 'They're just farmers; that's over in cockies corner. Those people—who may come from leafy suburbs or from outer metropolitan areas—are fed by the Australian farmers each and every day and their families are fed by farmers each and every day. The importance of agriculture
cannot be understated. If we do not look at the alarm bells that are now ringing and do something about making sure that we get a new generation moving into agriculture, we are going to find that in 30 to 40 years' time not only will we be flat out producing enough affordable food for ourselves but many parts of the world will find themselves in a situation of starvation. There are also many right now that are in a state of starvation.

Australian farmers—and there are 135,000 farms in Australia—do an extraordinary job, but too few of their children or relatives are taking up the challenge of agriculture in the future. Those 135,000 farms feed 60 million mouths every day: 22 million Australians—we produce almost 98 per cent of the food we eat in Australia, and fibre—and another 38 to 40 million people in many other parts of the world.

We are talking about jobs here in Australia, and that is what this motion is all about. Something like 1.6 million Australians are employed directly or indirectly in the agricultural sector. The parliamentary secretary who spoke before me spoke not just about working on the farm but also about the agricultural industry beyond the farm gate—the extension work, the agribusiness, the food technology areas. There are a whole lot of very exciting sectors that young people should be made more aware of as a career path. There could be no more noble an occupation than to be a food or fibre producer in Australia and to participate in the great challenge that the world is facing in meeting the need to feed the world in the years to come. It should start at school, as the member for Murray highlights in her motion. Where is it in the first year reading book when kids, at that very impressionable age, are starting to understand where food comes from? When I went to school, in the year 1 reader—it might have been the prep 1 reader—there were stories about visiting a farm and about the very basic forms of agriculture and food so that children young enough to be in their first year at school could start to learn about the source of the food in their lunch box or the food they had for little lunch or at home at night. It sounds very basic but we have to start there; it is all about education. The other thing is to make sure that in our national curriculum there is an opportunity to promote the importance of an agricultural career as a pathway to a very noble occupation in the future. The other thing I want to see is money invested in research and development. For far too long, not only in Australia but around the world, agricultural research has taken not second place or third place but is way down the end of the line when it comes to money being invested in research and development. There seems to be more money going into developing new and faster chips for computers, iPhones and all that other gadgetry than there is going into agriculture—so that we can meet this huge challenge that the world has in relation to feeding the world by 2050, when they say that we have to produce as much food in the next 40 years as we have produced in the last 1,000 years. It is a huge challenge. Do not quote me as being accurate on those figures, but it is of that magnitude.

I commend this motion to both sides of the House. In this forthcoming budget, let us make sure that there is more money for R&D for agriculture in this year of the farmer.

Ms BIRD (Cunningham—Parliamentary Secretary for Higher Education and Skills) (11:50): It is with pleasure I take this opportunity to speak on the motion moved by the member for Murray before the House today. I managed in my office to catch some of the contributions before I ran very quickly to get here to join the debate. I certainly acknowledge the great thought and commitment to this important area of industry that has been expressed by all of the speakers in the debate today.
It is certainly the case that the government agrees that the Australian agricultural industry does offer great opportunities for higher education and vocational education and training graduates. We acknowledge the importance of ensuring that key industries, such as the agribusiness sector, have the skilled workforce that they need.

While we agree with the spirit of the motion, we believe that agreeing to it as this time would be premature, and I will outline why we have that view. As members opposite would be aware the important issue is currently being examined across a number of inquiries. The Senate Standing Committee on Education, Employment and Workplace Relations is conducting an inquiry into all aspects of higher education and skills training to support future demand in agriculture and agribusiness in Australia. As well, the Senate Select Committee on Australia's Food Processing Sector is due to report by 30 June 2012. Australia's Chief Scientist, Professor Ian Chubb, is leading a review of Australia's science, education, research and development outputs, which is set for publication in the first quarter of this year. The government is also developing Australia's first-ever national food plan, to ensure that the government's policy settings are right for Australia over the short, medium and long term. Once these inquiries are concluded, we will examine those findings closely in order to respond appropriately to them.

The government is aware that research by the Australian Council of Deans of Agriculture, for example, points to a shortfall in the number of university qualified graduates needed to meet the number of jobs in the agribusiness sector. We also understand that a decline in agricultural science enrolments is resulting in shortages of agricultural scientists and consultants, particularly for more senior positions and in remote areas.

The Labor government is committed to supporting up-skilling and participation in key industries, including this one. The government provided the University of Western Sydney with nearly $1 million to create an agriculture and food alliance with the University of Sydney. This alliance, among other projects, will build interest in agriculture among high school students. The previous speaker talked about the importance of teaching children at an early age to take a love for this particular area. It will also establish outreach programs in order to help increase student enrolments.

Nationally, a third of Australian universities offer places in agriculture related courses at both the undergraduate and postgraduate levels, with most universities offering related courses in business and science fields as well. The learning and training opportunities are there, and this government is making information available to help people make decisions about study and careers in agriculture. This includes the Job Guide, Australian Jobs and the My University website. The importance of getting new students into agriculture related courses is not lost on the government. Agriculture units of study receive the highest rate of government funding, $20,284 per Commonwealth supported place in 2012. The Labor government's higher education reforms will have a positive flow-on effect for participation in agribusiness education and training. As the government transforms the higher education landscape, agricultural science will be among the many disciplines benefiting from a boost to the number of enrolments around the country as well as improved access for regional students. The Australian agricultural industry offers a diverse range of careers requiring a wide range of skill levels, and agribusiness will be a beneficiary of the reform agenda.
One of a number of challenges for all Australian governments under this reform agenda is to deliver a more responsive vocational education and training system which includes supporting growth in the system that is targeted to the areas of industry need. As part of the negotiation of the National Agreement for Skills and Workforce Development $1.7 billion is on the table for states and territories to work with the Commonwealth in transforming and reforming the training system, in particular to target it more effectively to meet the area of skills need by industries.

Mr HAASE (Durack) (11:56): It gives me a great deal of pleasure to use this opportunity to support the member for Murray in this private member's motion. So much has been done recently in relation to investigating the situation, and reports will be written, and I would like to think that some of those reports will be heeded and actual budgetary amounts will be allocated to the problem. But more often than not that is not what we have seen, especially from this government, and I am sorry to say I cannot see the point of view of the opposite side that this is a shared responsibility. Since Labor came to office we have seen agricultural investment reduced from $3.8 billion to $1.8 billion and of course half of the $1.8 billion is funded at industry level. So it is all very well to say that both sides of politics have not done the right thing and made the investment, but the evidence is there for all to observe that never has funding been slashed to the point that it has in the last periods of Labor government.

We need to do more. We need to realise that today an agricultural career is not seen as a sexy pursuit. It is not a case of there being bad press for agriculture; the reality is that in the big wide world of advertising and social media there is no press. That is what we are suffering. We are seeing cuts by government in spending, we are seeing an under-rating of the whole food task by the Labor government, and we need to prove with budget measures that we really do have an equal view of this issue. There is a lot being said today of a platitude nature and we need to see hard cash. When you take money out of the agricultural industry it does not matter where it hits, whether you take it out of quarantine inspections and therefore expose us to threats to biosecurity or whether you take it out of direct funding or whether you avoid putting it into tertiary courses and allow other courses to be better subsidised, and you have a situation where overseas paying students are paying full fees and they are all doing professional courses other than agriculture because their parents back home in Asia see agriculture as a peasant pursuit and do not value it highly. All these things are a problem.

In 2050 we are expecting a world population of nine billion. Australia needs to double its food production. We need to double our food production task today. To do that we are going to need an increased value of science and of quality of science. We need to be ever vigilant in relation to biosecurity, because it is no good simply looking at the current situation. As the world evolves we are being more and more exposed to biosecurity problems and we need the top performers, the top scientifically minded tertiary students, to devote their studies to agriculture, to science generally, and we need to make sure that we have got the best minds working into the future giving us good, solid biosecurity in this world. We need a government that is prepared to put money into customs inspections also, not take it away. We need to have a situation where we are making the investments that this industry is truly due. We have all manner of things competing with tertiary education for agriculture today. The professions are getting the status of being where young students with bright minds ought to go. It is an easy life. It is a clean life. It is a highly promoted life in the media today. Who reads on the front
page about the goings-on of Farmer Brown back in the boondocks, as the city viewers would see it to be? No-one. It came to my mind while I was researching this that *Sylvania Waters* did more for the house construction industry than all manner of talking in parliament. Maybe we do need to see a future where shows like *The Farmer Wants a Wife* are a little more promoted, because we need to get the idea that there is a future for agriculture back into the minds of young secondary students so that they are prepared to take up tertiary education in the field.

*Mr Sidebottom interjecting—*

**The DEPUTY SPEAKER (Ms Vamvakinou):** Order!

**Mr HAASE:** I should think so, Madam Deputy Speaker. The agriculture sector has a huge job ahead of it: feeding nine billion people by 2050. If we do not do our bit, we will have failed.

**Mr LYONS** (Bass) (12:01): I rise to speak on the motion put forward by the member for Murray, who, as we have just heard, spoke on the importance of career opportunities in the agricultural sector. With this year being the Year of the Farmer, it is a fitting topic for discussion. As I said when I spoke recently about this year being the Year of the Farmer, agriculture offers a special way of life for so many families around Australia. Some farms are handed down over generations. Other people are brought into farming life. It is estimated that approximately 319,800 people are in the agricultural workforce in Australia. Working in the agricultural sector is open to a wide range of people from different backgrounds who all have differing skill levels. Farming is not just about knowing how to work the land; it requires a high level of knowledge and includes many skill areas of science, innovation and business. It also requires a hardworking attitude and strong commitment and passion.

The agriculture sector in Australia is vibrant and has a strong future. With this in mind, we need to be growing our workforce in this sector to keep up with demand. With Australia producing so many quality items, the demand is sure to continue to grow. As a society we need to be strongly encouraging more people to consider careers in the agricultural sector. Figures indicate that there are not enough students graduating from quality tertiary institutions to meet the requirements of the industry. This is concerning, and that is why we need more students to consider working in the industry. The opportunities in the industry are enormous and it offers great rewards. To keep our nation clothed and fed, to grow and to sell wonderful fresh produce and importantly, to see their bumper crop being harvested and know that all of their hard work has paid off are the greatest rewards of a farmer.

As a nation we need to encourage new people into farming. The exciting career options for young people in the agricultural sector need to be constantly highlighted to ensure that our farming communities remain strong and resilient into the future. While a career in the agriculture sector may not be the first idea that crosses a student's mind, as a society we need to make this a consideration for people. Industry, government, farmers and education bodies should work collaboratively to encourage more students to actively consider a career in agriculture. Agricultural units also receive a high rate of government funding at university level.

We need to educate our children from a young age about farmers and their vital role in society. I have heard stories recently about children who do not understand where milk
actually comes from. Recent studies have also indicated that many students, and even some teachers, are not aware of the importance of innovation, research and development in agriculture. This is concerning, as concepts such as these are the core of the farming industry. To research, create and develop farming practice and then put it into action is at the core of most farming enterprises. It is concepts such as these that students need to be taught in schools, so that the agricultural sector is more widely and better understood. Let us make sure that students understand that there is more to the industry than the image of negativity that is often shown in the media. Yes, there are hard times but there are also great rewards to accompany a special way of life. It is important that our children know, understand and can contribute as farmers to society. Let us start educating our children and our communities so that we can support our farmers and recognise exactly what they do for our nation—such as providing fresh produce for everyone to enjoy. Let us also encourage our youth to consider agriculture as a career. There are so many exciting career possibilities in the agricultural sector and they require a range of skills and an ever-increasing workforce to meet the increasing demand.

The agricultural sector requires inventors, innovators, adaptors and researchers—those who can battle the vagaries of nature and who are rewarded by the product of hard work. If we as Australians are to maintain our quality of life, we must encourage people to be educated and to work in the agricultural sector.

Ms LEY (Farrer) (12:06): I am delighted to speak on this motion moved by my friend and colleague the member for Murray. Globally, agricultural commodity prices are expected to continue to remain strong. Rural exports increased 4.7 per cent in the December 2011 quarter. The gross value of Australian farm production in 2010-11 was $48.7 billion. There are approximately 134,000 farm businesses in Australia, and Australian farms produce almost 93 per cent of Australia's domestic food supply. It was indeed agriculture, not mining, that saved this country from the global financial crisis.

The opportunities offered by the agricultural sector are enormous. Huge and increasing demand by our Asian neighbours provides Australia with a market on our doorstep. As these nations become more affluent, so their demand for the high-quality produce of Australia will grow. Unfortunately, far too many employment opportunities in the sector go begging. Australians are not seriously considering the benefits of working in the agricultural sector. And it is not just one-sided. I do not believe that the institutions that offer courses are truly stepping up to the plate. It is well known that it is expensive to offer courses in agriculture. It is expensive to take students to visit the areas where they might one day work in agricultural science. It is expensive to bring that expertise into a university, which is why the regional universities are so well placed to do this. But Hawkesbury Agricultural College was unable to offer a first-year program this year, as fewer than 10 students had enrolled. Unfortunately this is a growing trend. With Australia failing to graduate sufficient students to fill the available positions, 2.5 jobs go begging for every student that graduates.

The array of possible jobs on offer is incredibly vast. Agricultural college students learn about animal husbandry, weather patterns, environmental issues and farm management. There is a strong science focus, meaning that those who will work with our farmers of the future have incredible knowledge and expertise.

A division having been called in the House of Representatives—
Ms LEY: My own electorate of Farrer is built on agricultural foundations: cattle; cereals; wheat; rice; grapevines, citrus, table grapes and other forms of horticulture; vegetables; and sheep. On the topic of sheep I should mention that the town of Booligal celebrates the annual sheep races on Easter Saturday and even provides the opportunity for you to hire a sheep for the day if you would like to. Deniliquin is also prime sheep country, close to the home of the original Peppin Merino sheep. A hundred and fifty years ago the Peppin brothers managed to breed a merino better suited to the hot and dry plains of western NSW, and they certainly succeeded.

Innovation, of course, is the key to the continuing encouragement and forward momentum of the agriculture sector. The main innovators apart from farmers—they do not need to go anywhere to be innovators, but many of them have completed agricultural science degrees—are the people who work with them in the local and state departments of agriculture. They are the people who need to have the technical training to enable them to bring to the innovation task the tools to really drive forward the agriculture sector in this country. That is why the workforce issues around our jobs in agriculture lead back to the planning issues, which are where the training task that has to be done by agricultural colleges, schools and universities is failing so very, very badly. I am very pleased that the member for Murray has brought this motion to the House today. As I mentioned in my remarks before the division, it is not easy for agricultural colleges to run courses, but I encourage them to do just that. Everywhere you look, you see courses in environmental science, and, important though that is, it is really not the whole answer. In rural Australia we have a plethora of environmental science courses, and I meet graduates when I attend university graduation ceremonies—many brilliant people are now very well trained in environmental science—but I wish that there were more agricultural science on offer. I hope that the current government can listen to the words that have been spoken on this motion. On our side of politics, with many members from rural areas, we are very, very committed to this task. We look forward to promoting agricultural graduates into the future. In this, the Year of the Farmer, we must do more to celebrate the agriculture sector.

Mr ADAMS (Lyons) (12:36): I thank the member for Murray for bringing to the House this motion on the important role that agriculture plays in the Australian economy. I believe that it highlights what the Australian government is already doing to encourage young people to be involved in ag business as a career and to get people to invest in ag businesses.

Agriculture, of course, is a big part of Australia's history. For many decades, wool has been grown. A bit down the track after early settlement, in the 1800s, it proved to be easy to put wool onto ships and get it back to the mills of England. Further down the track, we got the reefer boats that could take frozen meat, and that market grew as well.

In my electorate of Lyons, in Tasmania, agriculture plays a big part in my constituents' lives. Tasmania has 68,300 square kilometres of land, and one-third of this is committed to agriculture. Tasmania's mild climate, clean water—

A division having been called in the House of Representatives—

Sitting suspended from 12:37 to 13:16

Mr ADAMS: Before the suspension I was talking about the need for agricultural skill base in Australia and I was talking about Tasmania having a lot of great water and
establishing the water advantage for Tasmania, with about 10 per cent of the amount of water that falls on Australia falling in Tasmania on about 1½ per cent of the landmass. The opportunities to use this is quite good, but we need high-tech agriculture, in irrigation technology, to take advantage of those opportunities.

In relation to the skill base, up at Smithton this government is establishing an agTAS trade college. That will provide great opportunities for young people in that region and other regions to get a skill base in this area. To encourage young people into agriculture we certainly need to have modern work practices and management needs to be modern in the way that they deal with young people. We know that young people want to have a continuing pathway into learning and they want to continue to be well aware of health and safety issues. So those things need to be high on the agenda.

The next generation certainly will not work like the old shepherds of Tasmania that I knew as a boy around the estates where I grew up—and those in the families referred to by Gwen Hardstaff in her book *Cider gums and currawongs*—working 12 hours a day, riding horses in weather, as those old guys did. So we need to be modern in the way that we look at it. Down in Tasmania the University of Tasmania have a great ag science facility which enables students to study agriculture, but we certainly do need to work on modern and innovative ways to assist the farming communities to deal with climate change and carbon capture and the latest direction in which farms are going. We need modern management techniques to make sure that people have the opportunity to move forward.

In my area the number of contractor workers in the ag area is growing, but they certainly need a skill base. In the poppy industry we have certificate I and II right through to the trades area. Of course, degree levels are very high in that industry—working in the process sector of the poppy industry. And they are always crying out for plumbers and electricians around the pivot areas and making sure that people are capable and competent to be able to keep those areas going. High-tech farming, with a high-level skill base, is what we will see in the future, and it needs to be recognised that the skill base in agriculture is growing. We certainly need to have that direction into the future.

**Mr RAMSEY** (Grey) (13:19): It is particularly apt that we should be examining the future of agriculture during the Australian Year of the Farmer. It is estimated that by the year 2050 there will be nine billion people on earth. The recent ABARES outlook conference was informed that demand for agricultural products in that time will rise by around about 70 per cent, and the real value of food will rise by 1.3 per cent per annum—almost 80 per cent over that period. By 2050, it is expected that the value of agricultural exports will grow by 140 percent. That is the real value. It is clear that, far from the assumptions of the past, agriculture is not and cannot be a sunset industry. This is in complete contrast to the last 100 years, with the real value of agricultural production continually falling in real terms. In that period, farmers have survived and in many cases flourished by increasing productivity, not just yields. The increase in area farmed has been substantial, but the biggest gains in agriculture have been in productivity per person. Some of these efficiencies have been provided by technology and mechanical advancement, others by the vastly increased cropping intensity provided by superior agronomic practice and others again by technologies contained within the seed and the genetic makeup of the plants and the animals we grow. All of these advancements have been underwritten by good science.
Well may we ask, what is the problem? Why is there a problem in agriculture if the future looks so bright? The problem is that the enormous advances of the last 50 years have always been as a result of the investment of the generation before. For instance, even today the best science in agriculture is being driven by the generation which is about to retire. It is the result of investment and recruitment of the 1970s and 1980s. The extremely tough times in agriculture in the last 20 to 30 years have diverted high school graduates away from agriculture. The repeated crises in the industry have led to lower wages than in competing industries and prospective students have voted with their feet. But here we are now, in 2012, on the verge of agriculture regaining much of its importance in the world. Our agricultural schools are struggling to fill courses and closing campuses. Entrance marks continue to fall. These are very bad outcomes not just for the industry specifically but also for the nation’s economy. As I said earlier, agricultural products are quickly joining the list of world resources in short supply. Such shortages have driven the vast expansion in the resources sector generally in the last 20 years.

Governments have invested significantly in addressing the shortage of skills in the resources sector. It is perceived that Australia will not be able to fully exploit its opportunities unless we have a skilled workforce to meet demand. It is exactly the same position in agriculture. Australia will not be able to fully exploit its opportunities unless we have a skilled workforce to meet the demand. Yet, in the same time that governments around Australia have been reducing their commitment to agriculture, state governments have withdrawn funds for agricultural research and extension and closed a number of research farms and this federal government has slashed spending going to agriculture, including to land and water. The result drives a negative view of agriculture and a reluctance among young people to choose a career in the industry. Yet we know that the research breakthroughs of the 2020s, ’30s and ’40s will come from those who join the industry now. That is why it is time for governments collectively to lift their heads and look at what industries can realistically perform well in the middle of this current century. They will not be the areas where the real returns are predicted to keep falling. Our cost of production in Australia will inevitably see such industries fall victim to the emerging and well educated classes from the developing nations of the world. Agriculture, by comparison, will play to our natural advantage and it is imperative that governments take the blinkers off the last 20 years and understand that it is far from being a sunset industry—it is in fact a re-emerging industry—and for Australia’s good management they must come on board and support agriculture.

Mr ZAPPIA (Makin) (13:24): As others speakers have noted, this is the International Year of the Farmer. I take this opportunity to acknowledge the importance of the farming sector to Australia and to the world, for that matter. I also thank the farming families of Australia for all that they do. I also, given that this motion talks about education, research and the like, acknowledge the good work that has been done for almost 100 years by the Waite Agricultural Research Institute, just out of Adelaide, and also the Roseworthy Agricultural College, which since 1883 has similarly been doing very good work. These are both colleges that the member for Murray, who has raised this issue, would like to see more students participate in.

This is an important issue and I certainly acknowledge that. It is important for the country. It is important for our economy and for our balance of trade. It is important for the families
and the communities whose lives are dependent on the Australian agricultural production sector. I was reading the AgriFood Skills Australia annual report for 2010-11. I note within that report it says that the sector comprises 180,000 enterprises, employs 880,000 people and generates over $200 billion per annum for Australia's economy. Those are huge numbers, very important numbers.

Importantly, it is a sector with huge growth opportunities, producing an essential product in food and producing a product that Australia has the capacity to excel in. With some of South Australia's highest producing fruit and vegetable farmers located in the northern and north-eastern regions of Adelaide, I am acutely conscious of the sector's importance to the nation and to my own region. The Adelaide fruit and vegetable markets are located in my own electorate and I am very familiar with the activities there. I see the produce that comes into those markets; I see the level of activity that is created as a result of them and the flow-on effect that the agricultural sector has to the rest of our region, whether you are looking chemical manufacturers, irrigation suppliers, refrigeration mechanics and refrigeration manufacturers, packaging, clothing, transport, warehousing, retailing, food processing and so on. The list is endless of the community groups and sectors that rely on and benefit from a strong agricultural sector in this country.

In the brief time that I have available to me I want to make two points. In my view, the greatest threat to our agricultural sector comes from the unpredictable and extreme weather events that are confronting this country and the world, for that matter. I have to say, and I accept, that farmers have always been subjected to variable weather conditions. There is no denying that. But in more recent times, consistent with scientific predictions, we have seen the incidents of floods, cyclones, droughts and bushfires increasing and the extremeness of those incidents also increasing as well as the frequency of them.

Whilst climate change is part and parcel of today's lifestyle, we are seeing it right here and now, when you look at the floods across the country that are occurring and the devastating effects that they are having on the sector as a whole. We saw it this year, we saw it last year and we saw it the year before. Those threats, in my view, pose the biggest risk to the future of the livelihoods of all of those agricultural people who depend on the land and on weather conditions. It was even more concerning when I read in a report that was only recently released by some of the climate scientists of Australia that in the future things are looking even more dire. Some of the comments they made were: 'Very significant reductions in average rainfall, increases in temperature and increases in extreme weather events across the major agricultural production zones suggest future decreases in production for agricultural commodities.' They went on to say, 'The area in which crops are likely to be viable will change significantly and Australia's food surpluses will likely shrink and potentially become negative in some years and in some scenarios.' That is what the climate scientists are saying, and those are certainly issues of concern. That brings us back to the question of putting more research into graduates so that they can better adjust to the changing climatic conditions, and I think that is one of the good reasons why we need to do that. Another point, which I do not have time to elaborate on, is that in recent decades we have, in my view, missed out on huge opportunities in the agricultural sector by not allowing to value add to the food that is produced in this country. All too often we are sending food offshore to be processed and, in
Debate interrupted.

**Albany: ANZAC Centenary**

Debate resumed on motion by **Mr Crook**:

That this House:

(1) recognises the role played by Albany in the ANZAC story, as the gathering place of the ANZAC First Fleet and the final departure point for many Australian and New Zealand soldiers leaving Australia in November and December 1914;

(2) acknowledges the work undertaken by the Albany Centenary ANZAC Alliance in promoting Albany's rich ANZAC heritage;

(3) notes the recommendations from the National Commission on the Commemoration of the ANZAC Centenary calling for Albany to play a focal role in the 2014 ANZAC Centenary, including the recommendation:

   (a) for a re-enactment of the convoy of vessels to gather in King George Sound; and

   (b) to establish an ANZAC Interpretive Centre on the contours of Mount Adelaide; and

(4) calls on the Government to commit support and funding to ensure that Albany is able to deliver a nationally significant event in commemoration of the ANZAC Centenary in 2014.

**Mr CROOK** (O'Connor) (13:30): I am pleased to speak on this motion before the House. It is a very important motion for my electorate. In particular, this motion is important not only for the city of Albany, in the Great Southern of Western Australia, but also for the nation.

Today I would like to highlight to the House the nationally significant role that Albany has played in Australia's military history and I call on the House to recognise this important role.

I also want to acknowledge the work of the Albany Centenary of Anzac Alliance and the National Commission on the Commemoration of the Anzac Centenary. Finally, I call on both sides of parliament to lend their support to ensuring that Albany plays a focal role in the Anzac Centenary in 2014.

Albany holds a very significant place in Australia's military history. In November and December 1914 Albany served as a gathering place for the first convoy of ships carrying Australian and New Zealand troops to war. For many, it was the last time they stepped on Australian soil before travelling to Egypt to train and, ultimately, to take part in the landings at Gallipoli on 25 April, 1915.

As the National Commission on the Commemoration of the Anzac Centenary pointed out in its 2011 report, the term 'Anzac' is instantly recognisable in Australia and has come to mean far more than just a military acronym. The Anzac spirit encompasses values that every Australian holds dear and aspires to emulate in their own life: courage, bravery, sacrifice, mateship, loyalty, selflessness and resilience. This spirit has given Australians an ideal to strive for and a history to be proud of, even though it was born out of war, suffering and loss.

To this day, the Anzac spirit is still alive and strong in Albany. It is alive and strong at the Anzac service, where each year more and more people turn out to commemorate our fallen soldiers. It is alive and strong among our young people in Albany, with schoolchildren actively taking a role in developing plans for the Commemoration of the Anzac Centenary.
And it is alive and strong for many standing atop Mount Clarence and Mount Adelaide in the centre of Albany.

The Mount Clarence war memorial, the Avenue of Honour and the Princess Royal Fortress on Mount Adelaide form a combined Anzac precinct right in the heart of Albany. This precinct is in fact one of Australia's finest outdoor military museums, receiving more than 25,000 visitors each year, featuring restored shore batteries, armouries, barracks, a collection highlighting the role of the 10th Light Horse Regiment and walking trails featuring spectacular views of King George Sound, the gathering place of that very first convoy.

The Albany community has plans to upgrade and enhance this precinct, which includes the development of an Anzac Interpretive Centre in time for the Anzac centenary commemorations. The importance of Albany in Australia's military history is surely clear to any visitor, including Prime Minister Julia Gillard and federal Minister for Veterans' Affairs, Warren Snowdon, who have both stood on top of Mount Clarence in the past year and toured this Anzac precinct.

I would like to thank the Prime Minister and Minister Snowdon for their willingness to engage with the Albany community. The federal government have supported this project, including funding contributions totalling $1.5 million to date. This has been greatly appreciated by the Albany community.

I would also like to acknowledge the work that has been undertaken by the Albany Centenary of Anzac Alliance and the National Commission on the Commemoration of the Anzac Centenary. These groups have been instrumental in putting Albany's Anzac history on the federal government's agenda at a local and national level. Indeed, a 2011 report by the national commission has recommended that Albany play a focal role in the Anzac Centenary, including the establishment of the Anzac Interpretive Centre, which the federal government has already made a significant commitment towards. This interpretive centre would utilise technology to allow visitors to pinpoint ships gathering in King George Sound and to locate information about individual soldiers on board. Visitors would be able to trace the journey of a soldier, from the moment he left Albany through to the conclusion of his service. This centre will be a great educational tool for visitors and schools, and will be accessible both physically and online, allowing people right around the world to access this important chapter of the Anzac story. The national commission has also recommended a re-enactment of the first convoy of vessels in King George Sound on the morning of 1 November 2014, representing the convoy of almost 100 years ago—the first gathering of the Anzacs and the starting point of the Anzac legend. As I stated earlier, Albany has played a very significant role in the Anzac story and I look forward to seeing both sides of this House supporting Albany's role as a focal point for the commemoration of the Anzac centenary in 2014. I commend this motion to the House.

Mr ROBERT (Fadden) (13:35): The coalition supports the Albany alliance proposal for an Anzac Interpretive Centre at Mount Clarence. The proposal is to built the interpretive centre within the contours of Mount Clarence using the 270-degree view of King George Sound. An interactive display will show where the ships which formerly carried Australian and New Zealand troops to the Middle East starting on 1 November 1914 were position in the harbour. The first Australian and New Zealand contingent of 28 troopships sailed from Albany, Western Australia, bound for Egypt. The escorts included HMAS Melbourne and
HMAS Sydney, the cruiser HMS Minotaur and the Japanese cruiser Ibuki. Only one in three of those who sailed in the first convoy would return physically unscathed at the end of the First World War. It is something that should be remembered. There are also plans to enable families to see which ship their family member was on for the voyage. On 1 November 2014 there are plans to have ships once again in King George Sound to replicate what it must have been like 100 years ago. I think it is an exciting proposal. The alliance has proposed a recreation of the dawn service at Mount Clarence which was originated there by Padre White in 1916 and is widely believed to be the first dawn service in Australia. Its recreation will mark its significant anniversary. There are also plans to improve the facilities at the Light Horse Memorial at Mount Clarence. The total package will significantly enhance Albany's place in the Anzac story and make it a place to visit for any family with a link to Gallipoli and the Australian military story.

My good colleague Senator Michael Ronaldson has visited Albany twice since the election to view the site and get a better understanding of the projects. In fact, Minister Snowdon followed Senator Ronaldson to Albany in July last year to announce the long awaited funding for a scoping study. The project also has wide support from the Liberal candidate for O'Connor, Rick Wilson, who is a passionate advocate of the proposals. The government has also belatedly committed $1.3 million for a scoping study, although there is no financial commitment beyond 30 June for the construction of this centre. This is part of the broader issue of lack of funding for the centenary of Anzac commemorations across Australia. So we call on the government to ensure that this year's budget contains the funding commitments for the centenary of Anzac to provide certainty for the people of Albany.

Mr Griffin (Bruce) (13:37): The government supports the motion by the member for O'Connor. I will speak briefly because of the time of day and the circumstances we face, but there are a couple of points I would like to make in the process of that. It is my understanding that the government has been working with the member for O'Connor to look at the question of what can be done here to ensure that we properly commemorate the absolutely important role that Albany played with respect to the departure of our first Anzacs almost a century ago. The circumstances around that involve a process which is very important. The government set up an independent process through the national commission on the commemoration of the Anzac centenary. I know, because I was the minister who set it up. It was a process that was designed to be bipartisan and apolitical and to provide an opportunity for people to come forth from throughout the country with recommendations as to what should be done in order to commemorate this absolutely vital centenary. Through that and through the process of that commission, a range of initiatives have come forward and today we speak briefly about one that was, I might add, a recommendation from that commission as being something that should be central to the commemorations which relate to the centenary of Anzac.

As part of that process from those recommendations, further consideration has occurred through the Anzac Centenary Advisory Board, and the government has committed firstly, as I understand it, $250,000 around a feasibility study and now another $1.3 million with respect to the design and development of the centre. That is the way you do these things. You have to start off properly and work through progressively, and that is what the government is doing and has done. Frankly, it is not a question of who visits first; it is a question of what is delivered in the end and it is about ensuring that this national centenary of some of the most
important elements of our national history is done properly in a process which ensures the involvement of the entire nation and that the priorities that are set forward through that process are priorities that meet the needs of the entire nation.

I am particularly pleased with respect to this proposal that there is going to be an educative online involvement, because I think it is crucial that what is done in Albany is understood throughout this nation and in fact throughout the world. I am very confident that as we move forward on this that is exactly what is going to happen. I commend the member for O'Connor for the work that he has done on this. I commend the government for the work they are doing on this. I would urge all members of this House to get behind this as one of what will end up being many initiatives throughout this nation, to ensure that the courage and sacrifice of those who went before us, now almost a century ago, are properly understood by the Australian community today and properly commemorated in the years ahead in an enduring fashion via elements such as this, which will provide an enduring long-term legacy to ensure that that courage and sacrifice are never forgotten.

Debate adjourned.

Sitting suspended from 13:41 to 15:59

BILLS

Classification (Publications, Films and Computer Games) Amendment (R 18+ Computer Games) Bill 2012

Second Reading

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

Mr TUDGE (Aston) (15:59): I rise this afternoon to speak on the Classification (Publications, Films and Computer Games) Amendment (R 18+ Computer Games) Bill 2012. I would like to say at the outset that this is a bill which I have spent considerable time thinking about, and I have had great difficulty in coming to a position as to whether or not this is the right way to go. On balance, I have come to the conclusion that the provisions in this bill are the right way to go, and, along with my fellow members on the coalition side, I will be supporting this bill.

The bill creates an adult category for computer games, a category that is legally restricted to persons 18 years of age and over. As you would be aware, Madam Deputy Speaker, an R18+ category currently applies to other forms of entertainment, like films and some magazines, but at the moment it does not apply to computer games. The highest classification level for computer games is currently 'mature accompanied', or MA15+. MA15+ games are not recommended for people below the age of 15 and are legally restricted for such people. The only thing which this bill does is create an R18+ category for computer games.

The reason I have had difficulty in coming to a decision on this bill is in part that there are two conflicting principles which arise here from my perspective. On the one hand, I am a firm believer in liberalism and individual responsibility, which would lead me to say that, yes, of course we should have an R18+ category and we should have those games come into Australia. On the other hand, however, I abhor some of the violence in our society and am concerned that more violent games coming into our community may exacerbate that.
Let me briefly touch on those principles and outline some of my other reasoning for supporting this bill on balance. As I said, a core principle which guides the decisions of many of us on this side of the chamber is the principle of individual responsibility and liberalism. I am a firm believer in this and I am a firm believer that people have the right to take responsibility and to do things they want to do without the government interfering, unless those activities are going to harm other people. That is a principle which John Stuart Mill articulated many years ago and it is a fundamental principle which guides a lot of thinking on this side of the chamber. We are not saying that everything should be completely unfettered, but we are saying that, if there is doubt, then the government should step back, rather than step in, and allow people to take responsibility for themselves and to have freedom of choice. They are very important principles.

From that perspective, then of course we would allow the R18+ category and we would allow games which presently might be prohibited from coming into this country because we only have an MA15+ category. On that basis, we would say that the people who are using these games are adults—indeed 75 per cent of all people who play video games are adults, with an average age of 32—and they are sensible people and they are sensible enough to decide for themselves whether or not they want to play a particularly violent game or a game which has a large amount of nudity or sex or whatever in it.

On the other hand, I have a concern—and it is a concern which many people in this chamber and across our community have—about the level of violence which is in our community presently. While there is no research which says that there is a direct link between violence in video games or films or other media and violence which is propagated out in the community, I am sure that, at the very least, violent films, games and magazines change people's perceptions of what is acceptable and contribute to a changing of the culture in our community. My concern is that, if we have additionally violent games coming into our community, that will exacerbate that culture and may indeed lead to greater violence down the track. Those are the two conflicting principles we have to grapple with in relation to this bill—on the one hand, a very strong principle in relation to individual responsibility, freedom of choice and liberalism and, on the other hand, the principle of not wanting to exacerbate any culture of violence that may exist in our community presently and on which video games could have an impact. On balance I have come to the conclusion that the right thing to do is to have the R18+ rating. So I support this bill, in part because I think that if ever it comes down to a balance between individual responsibility, liberalism and something else, we should err on the side of liberalism. That is the first point.

The second point is in relation to the evidence suggesting that having the R18+ classification may be beneficial in reducing the propensity for violent games to be used by minors. That is because of the argument, which is quite forcibly put, that some of the games that presently come into this country are games which, in other countries, would not be allowed to be used by people who are between the ages of 15 and 18. But, because in this country we have only a 15+ rating, these games get slightly edited and are then able to be used by minors from the ages of 15, 16 and 17. I will give you two examples of that. The first example is Grand Theft Auto IV, which is the latest in the adult Grand Theft Auto series. The publishers, Rockstar, self-censored the game for Australia, making minor cosmetic edits regarding sex acts and blood spatter. It is now available for sale to children in Australia aged
15 and up, while it is still being restricted, even in edited form, to adults in other countries who are 18 years of age or over. Similarly, the game called *House of the Dead: Overkill* was not refused classification. I understand it has excessive violence and a high amount of profanity and it is still available for children aged 15 and over. Meanwhile, I understand that overseas rating agencies have classified the game for adults only. It may be the case that having games with an R18+ classification, which may not be appropriate for people who are 15, 16 and 17, may mean less access to such games because they would be properly classified as 18+ years of age. I think that is also an important part of this bill in front of us.

I will conclude by going back to the core principles I looked at in this bill—on the one hand the principle of individual choice, liberalism and individual responsibility and, on the other hand, a concern that we have too much violence in our society and that any additional violent games may exacerbate that. As I said, on balance, I have come to the conclusion that liberalism, individual choice and individual responsibility should be paramount in this instance. I trust that the people who use these games will be 18 years of age and older and that it will not be distributed to minors, although that is a very difficult thing to police, and that, in passing this bill, it will bring games into line with other forms of entertainment such as films and magazines.

Mr NEVILLE (Hinkler—The Nationals Deputy Whip) (16:09): I rise to speak on the Classification (Publications, Films and Computer Games) Amendment (R 18+ Computer Games) Bill 2012. The bill envisages creating a new category of R18+ for video games and the like, which currently do not have such a classification. By nature I am opposed to censorship, especially censorship of the media. But I accept that in all areas of the media, and in particular in the field of film, video and games entertainment, there is a need for a community standard to be set.

As honourable members are aware, in the film and video field and on television we have the classifications of G, general exhibition; PG, parental guidance required; M, mature; MA15+, where there is supposed to be a form of adult supervision; and, finally, R18+, which of course does not apply to television films—they stop at MA15+. But in all other things there is an R certificate. The proprietor of a theatre is required never to sell a ticket to an R certificated film to a person under 18 years of age, just as the owner of a video shop is required never to sell an R certificated video to a person under 18 years of age. I support that.

I have had a long history in the entertainment business. I worked for the Arts Council in Queensland, when it separated from New South Wales. That was my first major job. And I spent a substantial portion of my life as a manager, supervisor and owner of theatres. I lived through the era of the introduction of the R certificated film. It was very hotly contested in the community at the time. I, for one, thought it was a good thing because the R certificate allowed adults to see adult material in an adult context. In the theatres I managed in the weeks it was first introduced I put a policeman on special duty. In those days you could hire a policeman for special duty. I wanted to send the message out to the young people that we were fair dinkum and were not going to let in anyone who was under 18 years of age. In fact, I remember turning away the daughter of my wife's best friend, who was 17 years and nine months old. Everyone thought I was being a bit tough. But I wanted to send the message out to everyone, friend and foe alike, that if we were going to have this new form of entertainment it was going to be fair dinkum. I got caught at times. I have no doubt some little
toerags got under my radar. I remember one day I came up to this lovely girl with flaxen hair, long plaits and ribbons and I thought, 'Dear, oh dear.' I said, 'Listen, my dear, you are not seriously telling me that you are over 18.' She looked me straight in the eye and said, 'Mr Neville, my name is Marylou 'so and so'. I have a Bachelor of Teaching, with Honours, and I have been teaching for two years.' So I was put back in my place very promptly. She looked every bit of 15. So, I do not doubt that from time to time people get under the radar, but that is not an excuse for not having good controls. I am equally keen to see that the introduction of R certificated films should never become an excuse for the liberalisation of the X certificate or the reintroduction of NVE, or non-violent erotica, classification that the previous coalition government rejected. If you apply that to this games regime, nor should the R18+ certificate be a signal to the pornography industry that there is going to be even further liberalisation. I for one would strongly oppose that.

I like the questions posed in the classical English definition of pornography: does it tend to deprave or corrupt; is it a danger in the hands of the young or the unwitting; does it grievously offend community standards? If material cannot meet that test it should not come in. I have a friend who works for Blue Care and counsels young people who, amongst other things, have been subjected to child abuse. He tells me one of the classic tools of grooming a child for paedophilia is hardcore, X certificated films. The industry should not see this R certificate games category as a foot in the door for going further. It should be to allow adults in an adult context to view material or in this case to play games for their own entertainment, free from children under 18 years of age.

People have grown up with games, and the average age of game players is now 32. A high proportion of game players, we are told as much as 75 per cent, are adults. I am not reflecting on our censors in Australia and I am not reflecting on those who have made genuine efforts to modify R-certificate material from overseas to bring it into the MA18+ category, but I suspect that over the years games on the margin have, because of the inability to classify them at a higher level, got through. Games that cannot be seen by children overseas in that 15- to 18-year age group can be seen in Australia. I think the introduction of this new category gives the censors a clear line in the sand, and parents and others will know that to a certain point it is legitimate but beyond that point it is hands off. It is very important because in other countries there are 17-years-of-age and 18-years-of-age rules. The EU, the UK and the United States have all taken this matter in hand. It is appropriate that Australia should be doing likewise.

It is important that adults be able to see material in an adult context. It is some years old now, but there was a film called Don't look now, starring Donald Sutherland and Julie Christie. It was the story of a young couple that had two young girls, one of whom drowned. It was about the impact that had on the family. The father restored old buildings, including cathedrals, and worked in Venice. In the film the husband and wife, after many years of grieving in Venice, have a sex scene. It was in context, it was between husband and wife, it was tasteful and it showed the eventual relief of the grief that had dogged them for the time since they had lost their daughter. I think something in that context is not going to offend any adult but it is not something to which you expose some young person, especially one in the impressionable years of the middle teens. So it is with games. Games are a very important medium. I have seen one report that says up to 90 per cent of homes have games machines of one sort of another. Inevitably kids have access to these and, also inevitably, they play games.
that are brought into the home, some by the kids themselves and some by the parents. As I have said, some games getting through to the 15- to 18-year-old age group were probably classified as R certificate overseas and are being seen in Australia.

I also think that, while with our censorship we look at things like explicit and gratuitous sex, violence, drug taking and extreme violence, sometimes one that gets under the radar—and it should not—is demeaning of women. I remember that when we had the NVE debate here we were given a sample film to have a look at. I might add that those who saw it did not stay in the room more than two minutes. It was quite obvious what it was: pornography dressed up. I thought the wrenching back of a girl's head while she was being demeaned added a touch of sickening flavour to something that purported to be a new and enlightened form of classification.

So I repeat my plea to the government and the censors that this become a new line in the sand, a standard whereby adults can see adult games in an adult context free of the prying eyes of children and, equally, parents can, with a lot more relaxation, know that films, especially those in the G, PG and perhaps M classifications, according to the age of the children, are reasonably safe for their children to see. I think it is also good that with our classifications—although we do not do a lot of classifying in the printed field—we have uniformity in cinema, in videos and now in games that the public can look to with some confidence. For that reason I support the bill.

Mr BUCHHOLZ (Wright) (16:24): I rise to speak on the Classification (Publications, Films and Computer Games) Amendment (R 18+ Computer Games) Bill 2012. I would like to concur with the previous words of my colleague the member for Hinkler in the overview of the content of his speech, about the protection of the innocence of our youth, the protection of women and the protection of those who are vulnerable in our society. We are shifting to an animated society. The quality of animation that is not only portrayed today in video games but is starting to evolve in movies is becoming so life-like that an inherent social disconnect may potentially occur in an innocent mind in detecting what is good and what is evil, what is acceptable and what is not, and what is socially unpalatable. There are few topics capable of provoking such irritation, fear and wrong-headed moral panic as video games. It is a remarkable thing, really, when you consider that electronic games are nothing new.

The first pinball machine was invented in 1937 and it was not long before slot machine manufacturers saw their potential and began developing pinball machines that gave payouts based out on the player's score. At the time the authorities viewed these machines as a dangerous combination of youth recreation and gambling and were quick to crack down on them. In 1939, the new mayor of New York successfully passed bans to make pinball machines illegal in his city, and the ban remained effective until 1976. From the moment they appeared, electronic games sadly had a bad reputation as a corrupting influence on the youth.

Stand-up cabinet arcade games appeared in the mid 1970s and quickly drew the rage of authorities, who were concerned that the lure of electronic games was impacting on school attendance. In the early eighties I went to a boarding school, so we had access to neither pinball machines nor other electronic games. The concern about the negative impact of arcade games was so great that opponents of the new games parlour scheduled to open in Connecticut in 1983 charged that the store owner would mesmerise their youngsters, rob them
of their lunch money, provide them with a centre for illicit drug trafficking and cause a downfall in youth baseball, music lessons and scholastic aptitude tests.

In the mid-1980s the video games market took its first steps out of the arcade and into our family living rooms. The introduction of personal computers and video game consoles like the Nintendo entertainment system brought video games into the perceived safety of the family home, away from any atmosphere stereotypically considered to be a haven for smoking, drug use and any other antisocial or harmful behaviour. It was at this point that the debate took on its modern form, shifting away from concerns about physical safety and gravitating towards claims of psychological harm. Previously, concern had been that the arcade games lured youth away from school and into smoky dens where they could be corrupted by other kids. Once games were in the home environment, parents began to worry about the psychological effects of the games themselves, and that is essentially where we still are today.

This debate is about the need for an R18+ classification to stem the belief that the exposure to video games has the capacity to damage our kids—a perception that I support. The academic literature on this point, however, is inconclusive at best, but to mitigate the possibility it seems eminently sensible to restrict access to violent or adult themed games to adults. It is hardly an outrageous idea. After all, we already do it with films and magazines; why not have censorship at that level for these games? Opponents of the R18+ classification would agree that video games are an entirely different beast to film because consumers are actively participating rather than being passive observers. Again, the academic research on this point is largely inconclusive.

But, moral panic aside, there is little doubt that Australia's current classification system as it applies to video games is failing and failing badly. Within the current system the highest legal available classification category for computer games is MA15+. Games which are considered unsuitable for persons aged under 15 are theoretically refused classification. In practice, though, it is not so cut and dried. A very small number of adult theme games are refused classification. The majority are simply released within the MA15+ category. Some of them are edited to earn their lower rating—most are not. Let us look at some examples. The prior evidence I have put down has been given to me by one of my staff, because I have absolutely no idea—I have never seen these games. But when I questioned him as to the imagery—here is a man who is married—he was quite explicit that it is not something you would want your small children to see. He did give an overview. One game he mentioned was *Fallout 3*, which was initially refused classification by the Classification Board for realistic depictions of drug use. After some minor edits it is now available to children aged 15 and up. Even with these changes, *Fallout 3* is still rated 18+ in Britain, New Zealand and across Europe. In the US it is rated 17+. In Australia, however, it is legally available to kids as young as 15 simply because we lack the capability to restrict adult games to adults only.

Australia can do better when it comes to classifications. When we are not meeting the benchmarks of other nations; we need to step up as legislators and protect the innocence of our children. My staff member then went on to give me another example with *Grand Theft Auto IV*—an example that was given by a prior speaker from the coalition. *Grand Theft Auto* games are famous for their adult themes. The game's publisher, Rockstar, made a few cosmetic edits to the overseas version, primarily regarding sex acts and blood splatter. The game is now legally available to children aged 15 and up. In other countries it is restricted to
adults. Another game called The House of the Dead: Overkill is a shooting game, which combines Tarantino levels of blood and gore with almost constant profanities. Nevertheless, it is available to 15-year-old kids in Australia, whereas overseas it is restricted to adults.

With the realistic animation that exists in these video games, I reiterate the point of the disconnect with the social responsibility of protecting the innocence of our youth. This is a real concern. You can see that under our current classification system games that would be classified as R18 in most Western countries are frequently released in Australia as being suitable for our 15-year-olds. That is where the madness lies. Not only does the current system failed to allow adults to choose, it also falls short of protecting minors from potentially harmful or disturbing content. Contrary to what some would have you believe, the lack of our R rating makes it easier for children to access adult content—not harder. It makes it confusing for parents who are trying to do the right thing. Legislating to allow R18+ categories will give consumers information, a clear choice and more confidence in the games they buy for themselves and their kids.

Furthermore, Australia is something of a cradle of creativity when it comes to video game development. We have got 25 major development studios with exports of over $120 million worth of products sold each and every year. It is worth remembering that video games are not some type of fringe hobby for children and nerdy teenagers, they are in themselves bigger than Hollywood. Of Australian households, 88 per cent own some kind of device for playing video games. The average age of the Australian gamer is 32, and 75 per cent of Australian gamers are 18 or older. I do not have anyone in my house with an average age of 32. What I have in my house is me, my wife and my daughter, who is in grade 11 and attends boarding school. We do not have a gaming machine. As I alluded to earlier, I have never seen these games before. I am lucky enough, coming from a rural precinct, that the form of entertainment we as a family choose to give our daughter is horses and the benefit of having pets—a cat and a couple of dogs. She owns a Wii machine so she can play baseball and golf and whatever. But those types of tools very rarely get picked up in our household. I understand that coming from a rural precinct this is not the template for the average Australian, but it does go to building social and behavioural patterns. I am also cognisant of the current benefits of gaming machines in acting as potential babysitters. With social and financial pressures on households, the gaming machine can often be used as a babysitter or as a form of entertainment. I encourage those families who pursue that line of entertainment for their children to be mindful of what their children are watching. With those figures in mind, it is evident that certain games are intended for adults and it is only common sense to suggest that they should be restricted to adults.

In conclusion, I support measures that protect the innocence of our children, particularly the children of Wright. I speak in support of this bill as I have spoken in support of a number of bills. In fact, last year when the parliament rose, I asked the Parliamentary Library to give me figures on how many bills we had actually supported as a coalition. I was quite surprised to learn that the coalition have supported 78 per cent of all bills that have come before the House. When you classify the cognate bills with the main bills, you see that only around 13 per cent of the bills before the House did not have our support. I support this bill and reject the claim by the government that all we ever do is get up and say no, no, no. The facts speak for themselves. In supporting this bill I hope to protect our youth.
Mr FLETCHER (Bradfield) (16:36): I am pleased to rise to speak on the Classification (Publications, Films and Computer Games) Amendment (R 18+ Computer Games) Bill 2012, which, as you are aware, Madam Deputy Speaker, establishes the R18+ classification for computer games under the Broadcasting Services Act. The need for this bill arises because today there is no such classification, anomalously, for video games even though there is such a classification for many other forms of content, including television, movies, magazines and so on. In effect, when it comes to video games, there is a missing rung in the ladder which exists in the case of other forms of content, and that has created a problem. Indeed, it is interesting to reflect that what we have seen here is the law of unintended consequences in operation. There was not originally an R18+ rating for computer games, I understand, because of concern about the nature of this medium and the kind of material that people might be exposed to and therefore a degree of conservatism was exercised in comparing video games to other media. As my colleague has just articulately explained, that has led, in effect, to the unintended consequence that a measure which was designed to produce greater protection, particularly to children, has ended up producing less protection. Something that all legislators could reflect on from time to time is the way that such unintended consequences can emerge.

In the brief time that I have available to me, I would like to make three points. Firstly, this bill will provide better information and better protection to members of the Australian community as they consider their entertainment choices; secondly, there is strong public support for the bill; and, thirdly, the need for policy action in this area is consistent with the broader degree of public concern in relation to online content, which the coalition is addressing through having established the Online Safety Working Group. Let me turn to the first point, which is that this bill will achieve an outcome of better informing and better protecting Australian consumers as they consider their entertainment options. This measure was supported nationally at a meeting of state and territory attorneys-general last year. The key issue which the bill addresses is the problem that, because of the missing rung, the consequence in effect is that many games, which in other jurisdictions are classified so that they cannot be seen or are not supposed to be seen by people under the age of 18, end up attracting an MA15+ classification in Australia. The reason for that, of course, is the regulator has only one option available to it right now in respect of video games if it reaches the conclusion that those games contain content which raises serious issues as to the suitability of that content for children and young people. The only option today, should the regulator decide that the game does not merit a classification of MA15+, is to refuse classification. Clearly, to refuse classification means that the relevant game is not available to Australian consumers at all, whether or not those consumers have children in their household, and it denies adults the opportunity to make a choice which they ought to have available to them. So clearly it is highly problematic that there is a missing rung in the ladder, and it is therefore sensible to establish in the classification framework for video games a rung in the ladder which is analogous to that which is available for the classification of content in other media.

As we have heard, one of the unintended consequences of the current regulatory arrangements is that games which in other countries are rated the equivalent of R18+—that is to say, they are given a rating such that they are not available to be sold to those under the age of 18—in Australia have, in a number of circumstances, been rated MA15+ either in the version which in other countries is rated such that it can be seen only by those over the age of 18 or with very minor modifications. As you heard from the previous speaker, a number of
games fall into this category. He and I have spent many happy hours together playing *Fallout 3*, *Grand Theft Auto IV* and *The House of the Dead: Overkill*—which is one of my personal favourites. We did say to ourselves as we were doing this that we were somewhat surprised that it was rated MA15+. It seemed to us, not having completed the OFLC classification training, that it was surprising that the version that we were playing was not rated R18+. I should say that in our household we have a number of games which are played enthusiastically by one teenage member. While I cannot say I have spent a lot of time playing those games myself, I have seen enough of them to recognise that there is a significant issue here as to how classification should be carried out. The animation quality of these games is quite extraordinarily high, the devices that people are playing them on in their homes have very high resolution, and the classification issues that are raised are every bit as material, significant and real as in other media—movies, for example.

The important point which must also not be forgotten here is the importance of ensuring that adults are free to make choices about the media they wish to consume. As has been pointed out in this debate, gaming is a very popular activity for adults. Adults should be free to choose to see content which they consider meets their entertainment needs, and it would be very unfortunate if the regulatory arrangements were such that, because of the absence of an appropriate rung in the classification ladder, content which adults may wish to see is in effect denied them because the regulator does not have a sufficiently finely graded set of tools such that the regulator can grant a rating of R18+ so that appropriate protection is afforded to children—those under the age of 18—but at the same time the product is available for consumption by those over the age of 18 who have made the choice as an adult to do that.

I do emphasise that the coalition does not support censorship. What we do support, as a very strong principle, a principle of the highest importance, is that consumers are fully informed as to the content of the material that they are going to be seeing or interacting with and that they are therefore able to make a fully informed decision as to whether they will consume a particular product and whether they will acquire and play a particular game, just as they should be able to make a fully informed decision as to whether, if they go to see a particular movie, it is going to have content of the kind that they are expecting or content of a kind that may come as a surprise.

I think that is a principle that is well accepted and understood in the Australian community, which brings me to the second point, which is that there is clearly strong public support for the establishment of an R18+ classification for computer games. The Attorney-General's Department has advised that when it released a discussion paper on this topic it received 54,000 submissions, 98 per cent of which supported the introduction of an R18+ category. There has been extensive consultation on this issue, the public have had a wide opportunity to express their views and there has been wide interest in this issue. The expression of views is strongly supportive of the principle that consumers should be fully informed as to the content of games or other media that they are going to be consuming and consistent with the principle that the establishment of an R18+ classification makes good sense because the absence of that classification, as has been explained to the House by a number of speakers, has led to some unintended and undesirable consequences, including material being given an MA15+ rating when, on a more considered view, it probably ought to have been given an R18+ rating and, alternatively, material which ought to be available to adults to make a choice to consume
should they wish to do so, not being available to them under the current classification arrangements.

This bill demonstrates the importance of sound public policy settings in relation to the availability of content through a whole range of channels, including online channels, to consumers. Internet and online technologies are changing our world comprehensively, and the challenge for regulators is to keep up with those changes. I referred earlier to the extraordinary quality of the computer graphics and the high resolution of these games and the extraordinary improvement in the quality of the devices that people are able to view and play these games on and the wide range of locations in which they are able to do so—not just in the home but on a portable device, on a portable computer and so on.

These are issues on which the parliament, the government and the regulatory system in this area must be continually vigilant. The coalition strongly believes in that as a principle, and that is why we have established an Online Safety Working Group, exploring the whole question of content in the online world and particularly how to ensure the safe delivery of content for people under the age of 18. We have focused in our work on protecting children, particularly on ensuring that parents, schools and others with responsibility to care for children have available to them the tools to ensure that those in their care are adequately protected and are not using the internet, online channels, to engage with material which may be inappropriate. Providing informative and comprehensive ratings of games is one very important way to give effect to that principle.

In evidence that the Online Safety Working Group has received already, we have learned about the pervasiveness of the consumption of games amongst people under the age of 18—as well as, of course, amongst adults. The policy issues that raises are significant, and clearly one of those issues is ensuring that parents, who typically—not exclusively, but typically—will be making a consumption decision in relation to games for their children, particularly their younger children, are well informed and are able to assess very readily the suitability of the product for their child.

One of the issues when it comes to online consumption, online activity, by children is that it is often the case that children are better informed about the devices, the products and the tools, than their parents are. A complication in this area is that everything is converging, so devices like the Sony PlayStation and Microsoft Xbox are not just gaming devices but also internet access devices. Many parents do not have a very clear idea of the capabilities of these devices, just as many parents, I would suggest, may not fully appreciate that when they give their 10- or 11-year-old a WiFi-enabled iPod—and the research I have conducted suggests that was the Christmas present du jour in the Christmas just gone—they are giving their children, including 10- and 11-year-olds, unfettered access to the internet and everything that it has to offer, good and bad.

So the challenge for regulators and governments in this area will be a continuing one. In the case of gaming and in the case of the internet more broadly, these technologies offer many benefits: tremendous entertainment, which is enormously engaging and very professionally delivered, and a tremendous resource to access information and to engage in e-commerce, telemedicine, distance education and all of these good things. But, just as the roads are very useful facilities but we need to take proper care to ensure public safety on the roads, we also need to ensure that we take proper care for public safety when it comes to the internet and
when it comes, amongst other things, to the gaming world. So the legislation that is before the House this afternoon has the coalition's full support, because we believe it achieves the objective of delivering better informed consumers and protecting those who appropriately need to be protected.

Mr CLARE (Blaxland—Minister for Home Affairs, Minister for Justice and Minister for Defence Materiel) (16:51): I thank all members for their contribution to the debate on the Classification (Publications, Films and Computer Games) Amendment (R 18+ Computer Games) Bill 2012. This is an important reform—some 10 years in the making. It will create an R18+ category for computer games. As members who have participated in this debate are aware, currently the highest legally available classification category for computer games is MA15+. This reform will bring the classification categories for computer games into line with existing categories used to classify films and make the Australian classification regime more consistent with international standards. As many members have said in this debate, this has been the subject of extensive public consultation over recent years. There is a very high level of public interest in this issue and public support for the introduction of an R18+ category.

When the Attorney-General's Department released a discussion paper on the introduction of an R18+ classification category for computer games in 2009 they received 58,437 submissions in response. Of those, 98 per cent supported the introduction of an R18+ category. Let me take this opportunity to thank the members of the House of Representatives Standing Committee on Social Policy and Legal Affairs, who have conducted a short inquiry into this bill. The committee recommended that the bill be passed, noting the extensive public consultation that has already occurred on the introduction of an R18+ category for computer games. The bill also has the support of state and territory attorneys-general, who agreed to this reform at the Standing Council on Law and Justice meeting in July of last year. Following the passage of this legislation through the Senate, the states and territories will pass their own complementary legislation to ensure that R18+ computer games are appropriately regulated. Subject to this occurring, the national scheme will commence on 1 January next year. 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.

Intellectual Property Laws Amendment (Raising the Bar) Bill 2011 [2012]

Second Reading

Mr DREYFUS (Isaacs—Cabinet Secretary, Parliamentary Secretary for Industry and Innovation and Parliamentary Secretary for Climate Change and Energy Efficiency) (16:54): I present the explanatory to the Intellectual Property Laws Amendment (Raising the Bar) Bill 2011 [2012] and move:

That this bill be now read a second time.

The Intellectual Property Laws Amendment (Raising the Bar) Bill 2011 [2012] is a major reform of the intellectual property system. It is the culmination of two years of extensive consultation with interested parties. The bill will improve many parts of the intellectual property system including the patents, trademarks, copyright, designs and plant breeders'
rights acts. The bill will ensure that Australia maintains a world-class intellectual property system, an IP system that fosters Australian innovation in the modern global economy.

Australian innovation is critical to the resilience of the economy through changing times. Innovation makes our economy more competitive, but the extent of innovation necessary to keep our economy competitive cannot happen on its own. In addition to requiring support and investment, innovation requires a strong intellectual property system. A strong IP system underpins investment in innovation. This was recognised in Powering ideas, the government's innovation agenda for the 21st century. A strong IP system provides investors an opportunity to recoup the investments necessary to bring their ideas to the marketplace. The IP system also gives the public and innovators the tools necessary for further innovation through published information about new technology. As also recognised in Powering ideas: The trick is to get the balance right: too little protection will discourage people from innovating because the returns are uncertain; too much protection may discourage people from innovating because the pathways to discovery are blocked by other intellectual property owners.

The reforms set out in this bill seek to improve that balance by addressing six key areas: patent standards, research freedom, reducing delays in resolving patent and trademark applications, improvements to the attorney profession, trademark and copyright infringement, and technical improvements to the IP system.

I turn to schedule 1, Patent standards. First the bill seeks to raise patent standards. This addresses concerns that Australia's standards are lower than standards elsewhere, which discourages export of the technology we develop and inhibits the growth of Australian business. Lower Australian patent standards actually disadvantage Australian patent holders who should be able to take their inventions overseas with confidence that they will qualify for patent protection in Australia's major trading partners. Lower patent standards may also clutter the Australian innovation landscape with broad patents that would not meet the standards of our major trading partners getting in the way of Australians who might otherwise be able to develop inventions in new areas.

A theme in this bill is one of recalibrating and raising Australian standards to align them more closely with those of other major trading partners around the world. Some patent standards around the world have developed to the point where there is an aligned approach internationally. In such cases where there is an aligned global approach, the bill raises Australian patenting standards to that common approach.

The bill raises patent standards in three important areas. First, it raises standards with respect to the information provided in patent applications and specifications. Disclosure is a cornerstone of the patent system. Patents are an exchange between inventors and the public. In exchange for a 20-year monopoly on commercialisation, the innovator must tell the public how their idea works. This disclosure allows for potential follow-on investors to build on initial work to produce even better innovations.

The bill raises standards to require that the patent right is consistent with the information provided in the patent specification. There must be enough information disclosed for the public to make and use the invention. Also, a specific substantial and credible use for the invention must also be disclosed and the scope of the claims for patent protection must not extend beyond what has been disclosed.
Importantly, the amended provisions mirror similar provisions in the United Kingdom and Europe. It is intended that Australian courts will have regard to developments in the law in the courts of these other jurisdictions when interpreting the new provisions and will develop Australian law in a consistent fashion. This will help Australian exporters to have the confidence that a patent granted in Australia is likely to be matched by a patent granted in major overseas markets. Secondly, the bill raises standards for inventiveness. Raising the standards for inventiveness allows the patent system to better recognise the global innovation environment and reflect the modern economy's improved access to information. We must not grant a patent for something that has been done before. The bill ensures that the patent system takes into account all published information that is reasonably available and accessible to the public. It will also ensure that this information is assessed against the background of knowledge of the skilled person, regardless of where that person resides.

Thirdly, the bill ensures that a consistent standard of proof is applied by the Commissioner of Patents in all decisions and expands the grounds that the commissioner can consider during examination and re-examination. Someone who seeks a patent will bear the burden of showing that they are entitled to patent protection. The bill requires the commissioner to be satisfied, on the balance of probabilities, that a patent, if granted, will be valid.

Taken together, these changes ensure that only high-quality patents are granted in Australia. They make sure that the scope of disclosure is commensurate with the monopoly granted. They will make sure that patents are only granted for innovations that warrant patent protection. They will also ensure that the Commissioner of Patents can apply robust standards when assessing whether or not a patent should be granted and whether or not a patent should be revoked.

Schedule 2—Research freedom

The second category of reforms responds to concerns that patent rights can sometimes deter or block innovation by discouraging researchers from developing further innovations or spin-offs. We need to set our researchers free and ensure that the patent system encourages further innovation. The key reform in this category introduces an explicit provision permitting experimentation to be conducted without infringing patent rights. This amendment will give comfort to researchers in Australia and is strongly supported by Australia's research sector.

The amendment strikes a balance between the rights of patentees and the rights of subsequent researchers. The exemption protects researchers and follow-on innovators as long as what they are doing is predominantly for research and experimental purposes. The exemption is intended to allow for some areas of commercial activity—for example, where the researchers are doing their work under contract and are accepting payment to do experiments to improve on or test a patented invention to see how it works. However, if the purpose is primarily commercial—such as where the researcher is seeking to commercialise the patented invention—the amendment protects the interests of patent owners because it will not apply where the main purpose is to commercialise the invention or manufacture it for sale.

A second reform introduces an amendment to exempt research activities necessary for gaining premarket or premanufacturing regulatory approval from infringement. This ensures that a patent owner gets no more than the statutory period of protection. Such an exemption already exists for particular regulatory activities in the pharmaceutical industry. The amendment expands this exemption to apply to all technologies. Currently, a patentee can
delay a competitor’s entry into the market when the patentee’s patent expires by threatening the competitor with infringement proceedings if they seek to do the work necessary to gain regulatory approval during the patent term. This gives the patentee a de facto extension on the term of their patent. The amendments will enable competitors to make the preparations necessary to enter the market as soon as a patent has ceased or expired. The amendments will not, however, allow the competitor to stockpile their product during the patent term, or to make or use it in any way that detracts from the patentee’s exclusive rights to commercial advantage from their invention during the term of the patent. The amendments in schedules 1 and 2 also address some of the concerns raised in recent inquires into gene patents.

In 2004 the Australian Law Reform Commission released its report entitled Genes and ingenuity: gene patenting and human health following a two-year inquiry into patenting laws and practices related to genetics and related technologies, including the impact of gene patents on human health and cost-effective provision of health care.

In 2010, the Senate Community Affairs References Committee released its report Gene patents, following its inquiry into the impacts of gene patents on health care and medical research. Both reports recommended technology-neutral changes to raise patent standards and introduce a research exemption. These changes are reflected in schedules 1 and 2 of the Intellectual Property Laws Amendment (Raising the Bar) Bill 2011 [2012]. The government has committed to implement further recommendations from the reports. These include a review of existing compulsory licensing provisions and consultation on further reforms to the patent legislation to reword using contemporary language for legislative test for patent eligible subject matter and to introduce a morality exclusion.

Schedule 3—Reducing delays in resolving applications

The third category of reforms is aimed at making the patent and trademark application process more efficient. These changes will speed up the processes for determining applications for IP rights. They will also prevent tactical use of the system by those who profit from delay. The amendments target two key areas.

The first area is the process of opposing patent and trademark applications. Opposition processes permit any person who might be adversely impacted by issue of an IP right to come forward and oppose it. Oppositions are intended to provide for a swift and efficient administrative resolution where a third party has concerns about the grant of an IP right. However, oppositions have become increasingly more complicated and protracted. The bill introduces a series of reforms aimed at resolving opposition proceedings more efficiently while still ensuring a fair outcome, and ensuring that any delays are truly unavoidable ones.

The second area relates to what are called 'divisional' patent applications. Patent systems around the world permit a patent application to be divided into one or more divisional applications, primarily to account for circumstances where more than one invention is claimed in the original application. However, the provisions are not as clear as desirable and sometimes divisional applications are used to delay finalisation of a particular invention or frustrate a third party. The reforms tighten the provisions for divisional applications, particularly time frames for making applications. This will reduce opportunities to delay finalisation of applications.
Schedule 4—Improvements to the attorney profession

A fourth category of reforms improves various aspects of Australia's intellectual property profession. If we expect more from intellectual property attorneys to meet the higher standards provided for in the bill, it is reasonable to extend to them the privileges available to other professions. The bill makes two key changes to the patent and trademarks attorney professions in Australia.

The first change will permit patent and trademark attorneys to conduct all aspects of their business through a corporate structure. Patent and trademark attorneys are currently unable to do this, and this restriction is enforced through criminal sanctions. This is at odds with how other professions are regulated and are able to conduct their businesses in Australia. The bill amends the Patents and Trademarks Acts to allow a company to act and describe itself as a patent attorney. The new provisions are modelled closely on corresponding provisions of the Model Law for the regulation of the legal profession around Australia, with some variations necessitated by the different function and structure of the two professions. This is a reform that has been long sought-after by the patent attorney profession, and aligns that profession more closely with other professions in Australia.

The second change will extend the privilege that attaches to certain communications. At present, only certain communications to and from attorneys who are registered in Australia are privileged. In a globalised economy, in which IP rights are sought and prosecuted around the world, it is important that the privilege in Australia extends more broadly than only to Australian registered attorneys. The bill extends privilege to overseas attorneys who are authorised to provide intellectual property advice and better aligns patent and trademark attorney privilege with that attaching to communications to and from lawyers. Similar amendments, applying to privilege attaching to communications to and from legal practitioners, were introduced by this government through the Evidence Amendment Act 2008.

Schedule 5—Trademark and copyright infringement

The fifth category of reforms introduced by the bill will improve the ability of trademark and copyright owners to enforce their rights. Trademark rights will also be strengthened by improving the remedies available when the rights have been found to have been infringed. We are setting higher standards for the granting of intellectual property rights. It is reasonable that higher standards also apply to their enforcement. There are three areas for improvement. The first relates to the criminal penalties available for infringements of registered trademarks. Criminal penalties play an important role in trademark enforcement, by deterring infringements and punishing infringers. There have been concerns expressed that Australia's criminal penalties are too low to operate as an effective deterrent. The bill addresses this concern by increasing the criminal penalties for existing offences. Higher penalties will be more effective in deterring infringement of trademark rights. The changes also introduce some summary offences, but with lower fault elements and lower penalties. This will provide greater flexibility to law enforcement agencies when prosecuting trademark crimes. These changes also bring the criminal penalties under the Trade Marks Act into closer alignment with those under the Copyright Act.

The second area of improvements to IP enforcement relates to the civil remedies available for infringements of trademarks. These amendments will introduce a further remedy in civil
actions for trademark infringement. At the moment, the trademark owner can seek damages, an account of profits, or injunctive relief. This is out of step with the remedies available under other IP laws, which also allow the IP rights owner to obtain what are called 'additional' or 'exemplary' damages. The aim of awarding additional damages is to increase the deterrence for infringers. The bill amends the Trade Marks Act to introduce exemplary damages as an additional remedy to trademark infringement.

The third area of improvements relates to the powers of the Australian Customs and Border Protection Service to intercept goods that infringe copyrights or registered trademarks at the border. The bill improves the existing arrangements by permitting Customs officials to provide more information to copyright and trademark owners about goods that are seized at the border. The bill also requires that Customs only release seized goods if the importer lodges a claim for return, which must include the identity and address of the importer and be filed within a specified time period. These changes will help rights owners in deciding whether or not to commence an infringement action. And then they will also help in the commencement of infringement proceedings.

**Schedule 6—Technical improvements to the IP system**

The sixth category of reforms is a collection of technical improvements and changes, clarifications and updates to the Patents Act, the Trade Marks Act, the Plant Breeder's Rights Act and the Designs Act. The measures implemented in this category share the common themes of modernising aspects of Australia's IP system, increasing transparency in the decision-making process, and generally making the system easier to use.

In particular, the amendments include a number of changes that improve the flexibility of the IP rights system for users. Examples of changes in this area are the changes to improve processes for resolving ownership disputes. Current processes can be unduly complex, making it difficult for the commissioner to resolve disputes and correct ownership details in the patent register. The changes proposed by the bill will give the commissioner greater flexibility to decide disputes and correct the register, ensuring that the public has correct information about who a patent has been granted to.

Another example is extending the jurisdiction of the Federal Magistrates Court to hear trademark and design matters. This provides innovators with the option of a less formal, more speedy and cost effective alternative for considering less complex trademark and design matters.

This bill represents a comprehensive package of improvements to the IP system. It is the most comprehensive package of reforms in the lifetime of the current Patents Act. These changes bolster support for innovation in Australia and better equip Australians to commercialise their innovations in the evolving modern economy.

**Mrs MIRABELLA (Indi) (17:13):** In rising to speak on the Intellectual Property Law Amendments (Raising the Bar) Bill 2011 [2012] I want to begin by acknowledging that this is a highly complex but important area of policy. Often ways of comprehensively and effectively changing Australia's IP system for the better are not immediately obvious. In most respects the aims behind the changes in this legislation are right but, on the other side of the House, we are worried that there are potentially going to be some problems in practice, and
that additional changes will therefore need to be made. To that end, the coalition will support
the passage of the bill but we also want to flag our concerns in a number of areas.

As my colleague Senator Colbeck outlined in the second reading debate in the Senate, the
coalition has consulted with a diversity of stakeholders about the bill and the issues contained
within it. Generally, stakeholders do agree that various elements of the changes are positive,
but many also believe several important issues remain unaddressed and there is still quite a
degree of work to be done. More worryingly, in many cases they also feel the government is
not listening to their concerns about the issues they consider to be unresolved but has drawn a
line in the sand and is apparently refusing to take reasonable feedback on board.

The coalition's attention has been drawn to many instances where the government
essentially appears to have made no effort to consult. The process leading to the introduction
of this legislation into parliament has unfortunately provided yet another demonstration of the
government's unwillingness to consult with or even listen to many people who happen to have
a different point of view and also happen to have great expertise and practical experience in
relevant areas. We can only hope that the recent changes in ministerial responsibilities may
help resolve some of these problems in the innovation and industry and science and research
portfolios in the future and may lead to at least a partial cleaning up of the dog's breakfast left
behind by Senator Kim Carr. Although I am sorry to say that I very much doubt that this will
happen, we can live in hope. I have absolute confidence it will happen at some future time—
when a coalition government is elected we will continue that dialogue we have started with
relevant stakeholders.

We need to look at some of the public statements that the new Minister for Industry and
Innovation has made about the portfolio stakeholders. I was absolutely stunned when, in his
first statement to industry, he said that they needed to lift their game; that they needed to start
thinking about the national interest and not their own interest. He implied that they were not
mature. These comments were made at the time of that very unseemly, ugly, internecine war
within the Labor Party about leadership, but he was telling industry that they were not mature
enough! It was not a particularly glorious start; not one draped in the glory of giving great
comfort to industry. I hope this is not a sign of things to come, but it does at this time reveal
some of the attitude and thought processes of key ministers in the current Gillard Labor
government.

One of the many unfortunate consequences of the government's unwillingness to consult is
that it has failed to genuinely address a number of concerns relating to the practicality of
implementing some of the provisions embedded in the legislation. This includes concerns
from a number of eminent members of the legal profession, as Senator Colbeck rather
eloquently outlined in the Senate. It would be a significant problem if one of the legacies of
this bill, and it seems quite conceivable, is that it increased rather than decreased confusion
about the law and the demarcation of legal responsibility for the resolution of IP issues. There
are also substantial concerns about the resourcing of Customs. Many stakeholders doubt that
the agency is appropriately resourced and equipped to provide the required information to
brand owners in respect of Customs seizures in particular. More to the point, they are worried
that Customs does not currently possess the administrative and logistical wherewithal to
appropriately deal with counterfeiting operations and practices. Nor is its capacity in this area
likely to be suitably increased at any time in the short to medium term. The problems inherent
in this bill mirror those in many other Customs related bills that have come before the parliament in recent months. Labor has also repeatedly cut Customs budget allocations and staff numbers and severely reduced aerial surveillance, passenger facilitation, cargo screening and air and sea cargo inspections. We have seen in all-too-graphic detail over recent weeks the disastrous, unravelling consequences of this neglect—especially, most recently, on the streets of Sydney. All of this naturally raises a quite ominous spectre about the ongoing capacity and effectiveness of Customs to police threats of to the integrity our IP system, especially at a time when the agency is under ever-increasing pressure because of the complete and utter disarray in which the government finds itself in relation to border protection.

Throughout our interaction with key stakeholders on this bill, we have been routinely advised that section 41 of the Trade Marks Act needs further refinement. We have also heard that there may be some increased pressures on agricultural chemical companies because of the increased capacity for springboarding being facilitated by the provisions of schedule 2 of the bill. I recognise that the intent of relevant changes in schedule 2 is to improve the arrangements relating to the lifespan of patent protection and that it will probably ultimately allow consumers access to a wider range of products, including generics. But the government needs to remain especially mindful of how this might in practice compromise the viability of other products.

There remain a range of views about the appropriateness of the proposed penalties and offences listed in schedule 5, and I am sure there will continue to be a range of further discussions on these penalties into the future. Overall, the coalition takes the view that the legislation should be passed, because some of the changes are beneficial and ultimately some improvements are better than none. But that does not absolve the government of the responsibility to listen to the sensible points of view that have been and will continue to be articulated by many stakeholders. Nor does it mean that the government should not be genuinely and seriously using the feedback to help drive improvements in a range of other areas in relation to IP issues.

Finding and pursuing ways in which governments can help to deliver a better IP regime in Australia, lift the level of encouragement for Australian inventors and innovators, and drive improved commercialisation outcomes are extremely important and worthwhile objectives. They have certainly been the core aims on which the coalition has focused throughout the discussions on this bill, and they are the aims for which we will continue to advocate. I hope that the bill will in some way progress them as well.

Mr ZAPPIA (Makin) (17:23): The one thing on which we can certainly agree with the member for Indi is that this is indeed very important legislation. It is important not only because it amends and perhaps updates the intellectual property laws of this country but also because those very laws have a direct effect on our nation’s ability to remain competitive in the years ahead. Today, more than ever before, when we compete in a global market with products that are available from around the world, and with copyright ownership of those products resting in the designers of them, our ability to protect our intellectual property and to innovate, develop and design products is going to be fundamental to our ability to remain a competitive nation. In fact, earlier today when we were debating a different matter in this chamber, the question of research and development into our agricultural sector was raised,
and quite properly that is also an area where intellectual property can, in the future, make so much difference to what we produce in this country and how competitive we are as opposed to what is being done around the world. The parliamentary secretary outlined the importance of this bill and the details of it, and in my contribution I will try not to go to the same level of detail as he did. Effectively, the bill amends the Patents Act 1990, the Trade Marks Act 1995, the Copyright Act 1968, the Designs Act 2003 and the Plant Breeder's Rights Act 1994. It does that because this legislation will impact on each of those acts. The IP system in general and the patent system in particular protect and encourage innovation in our country. For the system to work effectively, the patent system itself needs to be up to date and in line with what is happening in and around the world. You must have a balance between what the law protects in terms of one person’s innovation and design and what another person is doing elsewhere. It would seem that the current laws are very much out of date and therefore these changes are needed.

One of the things that the parliamentary secretary mentioned was that there have been a number of reviews in the last decade which have recognised concerns that the thresholds set for the granting of a patent in Australia are too low and that in turn suppresses competition and discourages follow-on innovation. That is absolutely correct and needs to be addressed, and that is what this legislation partly does. In fact, I understand that this bill is the result of extensive public consultation that commenced in March 2009. The consultation was associated with a number of reviews of the current laws by a number of different organisations. Effectively, the bill seeks to further improve a range of areas in relation to our intellectual property system, such as raising the quality of granted patents, allowing free access to patent inventions for regulatory approvals and research, reducing delays in the resolution of patent and trademark applications, assisting the operations of the intellectual property profession, improving mechanisms for trademark and copyright enforcement, and simplifying the IP system.

This legislation also complements and is supported by a number of other initiatives of this government. In May 2009 the government released the Powering ideas report, which outlined the government’s innovation agenda for the following decade. Powering ideas clearly communicated the government’s commitment to consider options for reforming Australia’s present patent system and, by doing so, develop an environment conducive to innovation, investment and trade. The IP reforms contained in this bill are just part of the government’s innovation agenda.

I want to speak particularly about one of those ideas, and that is Enterprise Connect. Enterprise Connect is an important element of the government’s innovation agenda. Enterprise Connect provides a range of services to small and medium enterprises, including tailored advisory services and business reviews designed to improve management and business skills as well as organisational processes, assistance to help business access researchers and PhD students through the Researchers in Business program, and assistance to business to protect their IP through the business advisory services and the tailored advisory services. Currently, in my electorate of Makin there are around 46 small and medium enterprises that are being assisted through the Enterprise Connect program. I understand that around the country some 7½ thousand businesses have been assisted since the program was implemented. It is indeed unfortunate that, as I understand it, the opposition is proposing to cut $100 million from
Enterprise Connect. This is a program that is working very well and is being accessed by 7½ thousand enterprises around this country, and the opposition proposes to cut $100 million of funding from it.

The government has also reformed the research and development tax concessions through the research and development tax incentive. The government is also promoting research and development by doubling support to small and medium enterprises and has increased the support to other firms as well. Changes have also been made to allow foreign companies to invest in Australia by producing their intellectual property here even in instances where the IP is owned by the parent company overseas. This builds Australia's research and development capability and skills and also increases the likelihood of further innovation. Encouraging business to invest in research and development fosters innovation. The government is supporting research and development partnerships between universities and industry and business in a range of ways. For example, the cooperative research centre program brings together consortiums of researchers and industry. The Australian Research Council linkages program provides grants to higher education institutions engaged in industrial research. An industrial PhD program also brings researchers into business.

The government is further increasing the focus on universities by building partnerships with industry through the negotiation of agreements between each university and the Commonwealth government. These are known as mission based compacts and will further deepen links between universities and industries that will foster innovation. I understand that the University of Adelaide, the University of South Australia and Flinders University, all in my home state of South Australia, have been negotiating with the Commonwealth for mission based compacts.

As I mentioned earlier, the bill comes on the back of several reviews undertaken by a number of organisations, including the Advisory Council on Intellectual Property and its review in respect of patentable subject matter, which was carried out in December 2010; its enforcement of trademarks review, carried out in April 2004; and its patents and experimental use review, carried out in 2005. Several of the recommendations in these reviews have been reflected in the amendments proposed in this bill. Whilst the government wants to ensure that innovators can protect their ideas, it does recognise that patents involve commercial monopolies over inventions and should not be given away too easily. ACIP, in its review on patentable subject matter, concluded:

… the threshold of inventiveness in Australia is too low … the existence of patents hampers innovation in some technological fields …

Low patent standards provide uncertainty for innovators, who cannot be confident that their patent will withstand challenges in Australia or overseas. The reality at the moment is that patent standards are lower in Australia than elsewhere and that this can block follow-on innovation by crowding out the innovation landscape. The bill addresses this by raising key patent requirements to raise the quality of granted patents.

It is also the case that researchers can be threatened with lawsuits by patent owners, and that in turn holds up important research projects and distorts research priorities. This problem is also addressed in the bill, which seeks to provide certainty to researchers by exempting research from patent infringements. The bill will also serve to tighten up processes that have on occasions been abused. For example, some patent applicants profit by delay and
uncertainty, as the system allows them to draw out their applications for too long. Again, the bill tightens up the processes for assessing applications to give certainty sooner. I want to refer to that for a moment, because I know the parliamentary secretary did in his own comments about it. Allowing the Federal Magistrates Court to deal with matters and giving the commissioner additional powers to carry out reviews a lot faster, I think, will help everyone involved in this process, and they are certainly very welcome changes to the current legislation.

The other important matter that the parliamentary secretary talked about was the criminal penalties relating to the abuse of trademarks and patents by those who seek to profit from them. I have read submissions from industry groups that were concerned about the level of goods coming into this country that have trademarks on them and that have been smuggled or imported into the country using those trademarks and about how our Customs operations perhaps need to be given greater powers. Again, I think that the ability for Customs to provide information to the owners of those trademarks is an important first step, but the increasing of the criminal penalties is going to be very important in that respect as well.

I want to raise three other matters that I believe need to be taken into consideration when we talk about trademarks and intellectual property laws. It is my view that IP laws should never be used to withhold innovation from the public. There have been claims in the past that business sectors with a vested interest in a particular innovation or new design buy that new design and then shelve it for the deliberate purpose of preventing it from reaching the market. In doing so, what they are doing is preventing the use of that innovation for the rest of society. I believe that is wrong and that at some point we need to find a way of addressing that. It could be a case whereby a new patent or a trademark, once it is registered, would lapse if it is not put into commercial reality. That might be one way of resolving this matter. But there ought to be a process to enable innovations to actually reach the marketplace and to stop those who have a vested interest from blocking innovation from reaching the marketplace simply by taking out the patent rights for 10, 15 or 20 years. This is a matter that concerns me. I think most members of the House would be aware of claims that have been made over the years in respect of that—perhaps the most famous being to do with the Sarich orbital engine, where the patent rights were supposedly bought off and shelved to prevent the engine from reaching the market. The sad thing about that is that the world missed out on a terrific invention at the time.

The other matter that concerns me is something that I am sure happens on very frequent occasions. Two separate research institutions may independently carry out research into a particular matter and, even without the knowledge that the other is carrying out that research, may each come up with a design of a new product. The first one to patent it then gets the rights to it. Part of the reason we have patents laws and trademark laws is to protect the investment made by those organisations in their research and development. Regrettably, the second party, who has also carried out the research and who might come to the same finding ultimately, misses out entirely because they were not the first to register the patent—yet they have also spent real research dollars, real time and real effort on that design, often without any use or abuse of the research of the first company. It seems an injustice that they should be denied any opportunity to use that innovation. It would also apply where someone comes up
with an innovation that they would have ultimately found but, because it has now been patented, they simply cannot go ahead and either market it or patent it.

The last point I will quickly raise, because it has been raised with me in the past, is about the situation where the federal government assists a university with some kind of funding, and the university works in conjunction with the private sector. If a department of the university, including perhaps some of its key scientists, works on a design and an innovation arises, the question as to who owns that innovation is an interesting one. It is a complex question but an interesting one, and it has been the cause of grief for people in the past. I raise it in the House as a matter that I believe ought to be addressed at some stage, particularly given that the government has an interest in that innovation through its indirect funding of the universities.

With those comments, I commend this bill to the House.

Ms HALL (Shortland—Government Whip) (17:38): Mr Deputy Speaker Mitchell, I must congratulate you on your appointment to the Speaker's panel. I think this is the first time I have spoken whilst you have been in the chair. I am sure you will bring great wisdom to your role as Deputy Speaker.

I would also like to congratulate the member for Makin on his fine contribution to this debate on the Intellectual Property Law Amendments (Raising the Bar) Bill 2011 [2012]. I actually learned quite a bit listening to what he had to say.

The Intellectual Property Law Amendments (Raising the Bar) Bill 2011 [2012] is very important legislation, which has at the heart of it the fact that the intellectual property rights system is in place to support innovation by encouraging investment in research and technology in Australia and by helping Australian businesses benefit from their good ideas. The purpose of this legislation is to make improvements to IP rights to better meet these objectives. Most members of this parliament will have been approached by constituents who have an invention that they would like to have patented. They work through their research and then they start to go through the process that is involved in registering intellectual property rights on their invention. We all know just how difficult that is and we also all know that there are many problems associated with the current system.

Unlike the original bill that this one is amending, the 1999 bill, this legislation raises equality in the granting of patents—it has been a problem in the past that it was far too easy for a patent to be given on an invention or a product—and allows free access to patent inventions for regulatory approvals and researchers, reduces delays in the resolution of patent and trademark applications, assists the operation of the intellectual property right profession, improves mechanisms for trademark and copyright enforcement and simplifies the IP system. That last one is fairly important, and I will refer to all of them in a little bit more detail as I make my contribution to the debate.

The IP system and the patent system in particular encourage innovation, and innovation is the key to success for Australia as a nation. It is those countries that can be innovative, that can conduct the research, that can invent the next great invention that will be successful in the future, and I think Australia is in a particularly strong position to lead the way as far as—

A division having been called in the House of Representatives—

Sitting suspended from 17:42 to 17:57

FEDERATION CHAMBER
Ms HALL: Before we were interrupted, I was making the point about how important innovation and research are to the future of our nation. It is innovation and the direction of innovation and invention that are going to position Australia as a power in the world. It is a special niche and unless we have the right legislation in place then this will not occur. I refer to the minister's second reading speech. He talks about how the IP system underpins investment in innovation. He points out that this was recognised in Powering Ideas: An Innovation Agenda for the 21st Century. In that it points out how a strong IP system gives investors the opportunity to recoup the investment that is necessary in bringing their inventions to the marketplace.

Innovation and invention are not things that happen overnight. They are things that take a great deal of effort and a lot of investment. The minister recognised that in his speech. I would like to endorse what he had to say. In order to meet the objective of supporting innovation the patent system must strike a balance. I do not think it actually does that at the moment. It has to provide suitable protection to reward innovation but there must not be so much protection that it will stop future innovation. So it is that fine balance. I have pretty much decided that at the moment the bar is set a little bit too low and it is impacting on Australia's global position in innovation and research. The government recognises that patents involve commercial monopolies over inventions and they should not be given away too easily. If the bar is set too low, if it is too easy to register a patent or intellectual property then that is going to create monopolies. It could create situations like the one that the member for Makin was referring to where patents can be purchased and can be placed on a shelf. Setting the bar too low can work as a disincentive for future innovation. As a nation, innovation is the thing that we should be pursuing vigorously.

Over the last decade concerns have recognised that the threshold set for granting a patent in Australia was too low and that it was suppressing competition, as I mentioned a moment ago. Rather than letting a new invention or new product come onto the market, it is shelved so that somebody, such as a producer or a company, is able to continue to monopolise the market. This is something we should ensure does not happen. It happens right across the field, in medical research, in areas like patenting DNA—which is something that we need to look at very, very carefully—and in the patenting of seeds and plants, which is impacting on food supply. The registering of intellectual property is something that can create great inequalities within our society as well as be a barrier to us entering the global market. By having the bar set very, very low there are enormous implications.

On the other hand the government wants to ensure that innovators can protect their ideas. Low patent standards provide uncertainty for innovators, who cannot be confident their patent will withstand the challenges in Australia of overseas companies, research or innovators. The bill seeks to address patent standards that are too low. They are lower in Australia than elsewhere, which I have touched on, and we really need to address that. We need to make sure that we are up to at least international standards. Researchers can be threatened with lawsuits by patent owners, and the bill addresses this by exempting research from patent infringements. Some applicants can profit by delay and uncertainty. The system allows them draw out the process, and I have seen that with constituents I have worked with. The bill tightens up the process for assessing applications to give certainty sooner.
This is very important legislation. It is legislation that I suspect both sides of this parliament are supporting because they recognise the fact that innovation and research are important to our future. Both sides of this House recognise that if you set the bar too low then it is going to have consequences, such as the development and enhancement of monopolies. It can also lead to certain things being patented that should not be. I think that this legislation is vital. I congratulate Senator Carr, who, as the minister at the time, has done a considerable amount of work in this area. Senator Carr is someone who really understands the importance of patents, innovation, research and placing ourselves in a position in the international sphere as far as science and research are concerned. This bill has my full support and I commend it to the House.

Ms PARKE (Fremantle) (18:05): I wish to speak today to the Intellectual Property Laws Amendment (Raising the Bar) Bill 2011. I commend the work of the former Minister for Innovation, Industry, Science and Research, Senator Kim Carr, and the department for the improvements to the intellectual property system that are contained in the bill. I note with respect to the patent system, in particular, that the bill will have the effect of raising standards in a number of respects. However, there are areas of the existing patent system where the bill does not go far enough and there are areas where it does not go at all—and it is those areas that I would like to speak about today.

First I will address the areas where the bill does not go far enough. For example, the section in the bill on experimental use exemption introduces an explicit provision permitting experimentation to be conducted without infringing patent rights. This was said by the minister in his second reading speech in the Senate to respond to 'concerns that patent rights can sometimes deter or block innovation by discouraging researchers from developing further innovations or spin-offs' and 'the need to set our researchers free and ensure that the patent system encourages further innovation'. However, this exemption applies only as long as what researchers are doing is predominantly for non-commercial experimental purposes.

There appear to be five main problems with this provision. Firstly, the scope of the exemption is too narrow; it does not seem to include non-experimental or other non-commercial purposes, such as clinical, educational, teaching or applied scientific purposes. Secondly, it is very difficult to prove that research has no commercial interest. Most universities have commercial objectives. Thirdly, furthermore, if a researcher using a patented genetic material under the experimental use exemption does manage to invent a useful application relating to that material, he or she would need to pay money and obtain a licence to the patent holder in order to commercialise that invention. This would seem to be a significant disincentive to innovation, to improving what already exists. Fourthly, the bill is ambiguous as to when the research exemption will apply and this will consequently be tested in the courts by multinational corporations with deep pockets. To what extent will small research institutions or individual researchers run the risk of carrying out research that may lead to them being dragged to court against large pharmaceutical corporations, for example? Finally, I note that the WTO TRIPS agreement heavily constrains experimental use exemptions.

These factors together mean, I fear, that the experimental use exemption provision, while admirable in its purpose and intent, will not be effective or practicable for scientists and researchers. Secondly, the bill does not deal with patentable subject matter, a subject of
significant interest to health professionals, cancer patients and the wider Australian community. It is a bedrock principle of patent law that there must be an invention. In the health field, true inventions such as medicines, vaccines and new methods for diagnosis are patentable subject matter. However, discoveries of nature are not inventions and have never been patentable subject matter, irrespective of how difficult or useful that discovery may be.

Notwithstanding this principle, the practice over the past more than two decades has been to grant patents over human genes where such genes have been isolated from the human body and to grant patents over diagnostic tests that do not result from any invention but involve mere comparisons of genetic sequences. The effect of the practice of granting patents over human genes has been to lock up genes in the hands of a few, mostly foreign, corporations that can then refuse or control access to the genes.

In July 2008 an Australian company, Genetic Technologies, which had acquired the exclusive patent rights to a number of Australian patents granted to Myriad Genetics over breast and ovarian cancer susceptibility, or BRCA, genes, wrote to all of Australia's publicly funded clinical laboratories demanding that they immediately cease providing Australian women with BRCA genetic testing or they would be sued for patent infringement. In September 2010 the ABC Four Corners program Body Corporate highlighted the fact that doctors at Westmead Hospital were sending children's DNA samples to Scotland for epilepsy testing rather than paying the fees and royalties demanded by Genetic Technologies, which holds the patent rights for the epilepsy gene and genetic test.

During the recent Senate Community Affairs References Committee inquiry into gene patents, the Peter MacCallum Cancer Centre gave evidence that its research into breast and ovarian cancer had been delayed by two years and ended up costing three times as much because gene patents holders, Myriad and Genetic Technologies, refused to grant it permission to use the genes in its research. As Professor Bowtell from the Peter MacCallum Cancer Centre said during the inquiry:

We are coming into an era where lots of genes are actually being identified that work in concert to actually cause an outcome, like the risk of developing breast cancer, diabetes, stroke … If the patents for each of those genes are held by different companies then it is going to be extremely difficult to assemble a practical test to test for a particular condition.

The fact is that knowledge about human genes belongs to everyone. This is why when the human genome was decoded 12 years ago US President Clinton and British Prime Minister Blair issued a joint statement that said:

… to realise the full promise of this research, raw fundamental data on the human genome, including the human DNA sequence and its variations, should be made freely available to scientists everywhere. Unencumbered access to this information will promote discoveries that will reduce the burden of disease, improve health around the world and enhance the quality of life for all humankind.

This principle has been recognised by the United States government, which in the past two years has revised its policy on the patentability of genetic material, saying in an amicus curiae submission to a court challenge to Myriad's gene patents:

The extent to which basic discoveries in genetics may be patented is a question of great importance to the national economy, to medical science, and to the public health.

… … …
The chemical structure of native human genes is a product of nature, and it is no less a product of nature when that structure is 'isolated' from its natural environment than are cotton fibers that have been separated from cotton seeds or coal that has been extracted from the earth.

Methods of identifying, isolating, and using such DNA molecules may be patented, as may any new and useful alteration of those molecules through human intervention. Genomic DNA itself, however, is a product of nature that is ineligible for patent protection, whether or not claimed in 'isolated' form.

We acknowledge that this conclusion is contrary to the longstanding practice of the Patent and Trademark Office, as well as the practice of the National Institutes of Health and other government agencies that have in the past sought and obtained patents for isolated genomic DNA.

So, the US government now considers that the practice of the US Patent and Trademark Office, which has been followed by IP Australia for more than two decades, is wrong. This is significant.

The US Supreme Court may rule on this in the coming years. A court case by breast cancer patient Yvonne D'Arcy and Cancer Voices Australia is underway in Australia challenging Myriad's patents over the breast and ovarian cancer genes. But it will be some time before it is decided. In my view it is time for this parliament to fix the problem once and for all.

I am told that it is not necessary to amend the Patents Act to make it clear that genes are not patentable, because as a matter of practice IP Australia no longer grants patents over human genes and has not done so for some time. But this is not true. I have in front of me a patent granted by IP Australia in the last three years over the gene CXADR, related to human colon cancer. As an aside I would like to point out that 90 per cent of patents granted by IP Australia are to foreign corporations, so knowledge about the human body, to which Australian scientists and researchers need access so that they can help find cures and treatments for disease and illnesses, knowledge that should be freely available to humankind because no-one invented it, is locked up and controlled in the main by foreign corporations.

With regard to the matter of diagnostic tests that contain no inventiveness or transformative steps but simply involve the mere comparison of genetic sequences, it is clear not just to me but to the Cancer Council of Australia and to the Royal College of Pathologists of Australasia, among others, that such tests should no longer be patentable.

The US federal court of appeal recently ruled—and this aspect of the ruling is not the subject of an appeal to the US Supreme Court—that Myriad's patent claims over a diagnostic test analysing whether a patient's genes had mutations that raised the risk of cancer were not patentable, because they involved only 'patent-ineligible abstract mental steps'. During that case the Association for Molecular Pathology noted:

That pathologists can be excluded from ‘looking at’ or ‘reading’ a patient’s DNA sequence to characterize or assess the risk for disease is akin to prohibiting a physician from taking a patient's pulse to see if his or her heart is beating.

... the fact that patients can be prevented from accessing the information contained in their DNA would offend most people’s conceptions of individual rights and personal liberty.

The fact that gene patents and diagnostic tests that involve the mere comparison of genetic sequences are not excluded as patentable subject matter constitute serious deficiencies in the raising the bar bill that I hope will soon be rectified by separate legislation.
Finally, I would like to pick up on a point made by Senator Nick Xenophon in his speech on the raising the bar bill regarding the need for a provision in the Patents Act that would enable Commonwealth or state governments, companies or individuals who are negatively impacted by a patent that is revoked to recoup the value of their patent monopoly or the damages caused by the patent monopoly. I note an example in this context: Sanofi-Aventis, the owner of a 20-year patent for clopidogrel valid until July 2003. It sought and obtained a second patent for clopidogrel valid until February 2013. This second patent had the effect of evergreening the first patent by extending patent protection over clopidogrel by nearly 10 years. GenRx sought to market a generic version of a drug containing clopidogrel once the first patent of Sanofi-Aventis had expired. Sanofi-Aventis obtained a interlocutory injunction; however, this was overturned by the full Federal Court, which revoked the second evergreen patent on the grounds that the earlier patent had already disclosed the relevant compounds. That is, the second version was not found to be an invention. The High Court refused Sanofi-Aventis's application for special leave to appeal. The cost to the PBS of the unmerited patent protection from July 2003 to 13 March 2010 is an estimated $476 million to $631 million. The estimated recoverable portion of this for the Commonwealth is $60 million, being for the period from September 2007 when the interlocutory injunction was granted to 13 March 2010 when the Federal Court revocation came into effect. This is based on an undertaking by Sanofi-Aventis at the time of being granted the injunction to pay compensation to any party adversely affected by the injunction.

I raise this case to express my general concern about the practice by pharmaceutical companies of evergreening drugs, that is, making very minor changes and getting extensions on their 20-year patents. This makes a mockery out of the patents system, which is supposed to be about offering a limited period of patent protection as a reward for invention that is disclosed to the public. It is not intended to provide a semipermanent monopoly that can milk the tax payer indefinitely. As can be seen from this example, and there are many others like it, the cost to the PBS from such practice is significant. The Australian economy is supposedly dedicated to the principle of competition. A notable exception to this principle is the patents system, which creates 20-year monopolies sanctioned by law as a way of encouraging inventive contributions. However, as we have seen, the vast majority of patents granted in Australia are to foreign corporations and it appears from the practice of evergreening pharmaceuticals, among other things, that a certain amount of gaming the system is taking place. IP Australia, which is self-funded through patent and trademark filing and renewal fees, has a role as facilitator for the industry but I am concerned that it is not able to effectively regulate the industry. I therefore support the notion of introducing provisions to deal with anti-avoidance and anti-competitive conduct so that, if corporations deliberately act in a way that stifles innovation or unfairly knocks out competition, there will be penalties attached to such conduct. Perhaps the ACCC would be best placed to investigate such behaviour.

I would like to finish by quoting from a dissenting statement made by economics professor DM Lamberton in a report by the Industrial Property Advisory Committee, *Patents, Innovation and Competition in Australia* to the Hon. Barry Jones, then Minister for Science and Technology in 1984. Professor Lamberton noted:

> No amount of talk about individual patent successes nor about a future in which the Australian economy has magically become progressive, innovation-oriented, and competitive on the world scene,
can hide the facts that Australia exports little in the way of manufactured goods and has few inventions for sale. Most patents are granted to overseas firms.

He said the report:

… is constrained by the very haze of assumptions about rights and rewards for inventors, special pleading by those directly involved, and a plethora of legal procedures and criteria in the Patents Act that it deplores. Many of its recommendations are for no change; and when change is implemented it is all too often merely procedural or has little prospect of being effective. A good opportunity to adjust an ancient institution to the current needs of the Australian economy has been missed.

Much of what Professor Lambert had to say then remains true today, as confirmed in the 2008 final report of the Cutler Review of the National Innovation System, which noted mounting evidence that the patent system is impeding rather than stimulating innovation. I would like to see the Productivity Commission take this issue up. While the raising the bar bill has some very good elements to it that I support, I believe that in a number of ways, some of which I have tried just now to describe, there is further work to do.

Mr BANDT (Melbourne) (18:20): I rise to make some brief remarks on two aspects of the bill. This is an important bill for Australia because science, technology and innovation are so crucial to our current and future prosperity, especially as we transition to a post-carbon economy. Innovation and research are crucial to the health and wellbeing of our citizens as well as to the many people around the world that our world-leading research assists. I would like to see ultimately a national target of at least three per cent of GDP for Australia's research and development expenditure by 2020, including both public and private expenditure on research. But in 2008-09 we had an expenditure of 2.21 per cent, which is below the OECD average of 2.33 per cent. That means that we spend as little as $900 per person per year on research and development, which puts us 14th in the ranking of OECD member countries. We are well behind the next best ranked country, Iceland, which devotes 2.6 per cent of GDP to research and development. At the top of the list is Israel with 4.6 per cent, followed by Finland and Sweden; each of which spends 3.6 per cent. So we have a fair way to go, and intellectual property rights are an important part of this research landscape.

 Obviously we need to be supporting innovation by encouraging investment in research and technology and by helping Australians benefit from their good ideas. But there must be a balance. We must provide sufficient protection to reward innovation without stifling it. The Greens share the concerns that have been raised regarding the low threshold for obtaining a patent. I support the measures in the bill which raise the standard for an inventive step before a patent can be obtained. This will make our laws more consistent with other jurisdictions and help to ensure that only genuinely new and useful inventions can be patented.

The Greens also have concerns regarding the lack of an explicit research exemption in the current act. We believe that such an exemption as will be contained in this amending legislation is crucial to encourage investigation free from concerns about patent infringements. If researchers are uncertain about their liability for patent infringement then this leads to inefficiencies and expenses. Patents provide the legal framework for legitimate commercial benefit. They should not stand in the way of legitimate research activities. We welcome broad and clear protection for research to maximise the potential benefits for Australia.
I also recognise that this bill has had a long consultation period and that there is widespread support from many organisations. In addition I made my own investigations in the course of working out whether to support this bill. I note that one of the world-leading health and medical research institutes is in my electorate; it is one of Australia's largest, Walter and Eliza Hall Institute. Professor Doug Hilton, the director of the institute, said that the raising of the bar bill would raise industry standards on patenting without jeopardising human health and the developments for new treatments for disease. He said:

Patents are vital to attracting investment in the discovery and development of new therapies and vaccines due to the extremely high costs associated with the development and natural rate of failure. We are excited about helping to make Australia a supportive environment for drug development and the new and innovative therapeutics and treatments that are to come.

I note that this bill importantly has the support of the Bio21 Cluster, which represents a significant number of the research institutes in my electorate and in broader Melbourne that really do punch well above their weight in world standards to make Melbourne and Australia generally one of the world-leading centres for health and medical research. I support the bill and I commend it to the House.

Mr DREYFUS (Isaacs—Cabinet Secretary, Parliamentary Secretary for Industry and Innnovation and Parliamentary Secretary for Climate Change and Energy Efficiency) (18:24):

I thank honourable members for their contributions to the debate. I would also like to take a moment to thank all the stakeholders who contributed their thoughts and suggestions on this bill. The proposals in this bill have been the subject of extensive consultation; three separate rounds of public consultation stretching over the last two years. Innovators, researchers, small businesses, big businesses, academic experts, lawyers, patent and trademark attorneys and users of the products of the IP system have all offered their thoughtful comments. These have undoubtedly led to a better bill, and if the bill is passed they will lead to better law. I note that there have been some suggestions that the bill does not go far enough and that further amendments might be required to address the issue of gene patents. Gene patents have been the subject of a number of recent inquiries by two Senate committees, the Australian Law Reform Commission and the Advisory Council on Intellectual Property. Most recently, the Senate Legal and Constitutional Affairs Legislation Committee inquired into the Patent Amendment (Human Genes and Biological Materials) Bill 2010. This was a private member's bill which sought to ban patents for gene and biological materials. The majority report of the committee recommended that the private member's bill not be passed.

Before that, the Senate Community Affairs References Committee conducted a comprehensive review into gene patents and their impacts on access to medical treatment and research. Last November, the government released its response to the committee's report. The committee did not recommend a ban on gene patents, and the government agreed with this. The committee also recommended amending the Patents Act to raise patent standards and introduce a research exemption. These amendments will be implemented through the raising the bar bill. They have widespread support from stakeholders, the research community and industry, including those on both sides of the gene debate, who see the changes as an important step in improving the patent system. The government also agreed to further measures recommended by the committee to address concerns about gene patents. Central to these are a review of existing compulsory licensing provisions and amendments to patents legislation to reword the legislative test for patent-eligible subject matter, using contemporary
language, and to introduce a morality exclusion. These measures will be the subject of the same considered and comprehensive full public consultation as the raising the bar bill.

A strong intellectual property system is essential to drive the innovation and research that benefit so many Australians. Robust patent standards ensure that broad patents do not clog the innovation landscape, preventing competition for better ideas and better inventions. By aligning standards with our major trading partners, the bill makes it easy for Australian inventors to take their good ideas overseas. The bill gives clarity and certainty to our researchers so they can experiment free from the shadow of litigation. The bill speeds up the process of resolving patent and trademark applications so that applicants and the public know where they are free to operate and innovate. The bill assists the IP professionals who assist our innovators, making it easier for them to continue to provide quality advice. The bill deters imitators and fakes, with better border protection systems and stronger sanctions for counterfeiters. Finally, the bill simplifies the more technical aspects of the current IP system so that innovators can spend less time prosecute applications and more time producing innovations.

These measures raise the bar. They raise the quality of our innovation system and so raise the quality of the innovation that benefits all Australians. That is why we need this bill.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

PRIVATE MEMBERS' BUSINESS

World War II

Debate resumed on the motion by Ms Parke:

That this House:

(1) notes:

(a) the motion tabled in the South Australian Parliament on 28 July 2011 by Mr Tony Piccolo MP, Member for Light, which acknowledges the experience of ‘enemy aliens’ interned during World War II and seeks to record an acknowledgement in similar terms by the Commonwealth Parliament on behalf of the nation; and

(b) that during World War II thousands of people were interned in camps around Australia as ‘enemy aliens’ and prisoners of war, and among the ‘enemy aliens’ interned were permanent Australian residents born in Australia or who had become British subjects in accordance with the Federal immigration and citizenship laws of the day;

(2) acknowledges that:

(a) of these people interned at the camps, the overwhelming majority were law-abiding members of the Australian community who posed no security threat, indeed they were people who had made a valuable contribution to Australian society and so their internment was not only a hardship to them and their families, but also a significant loss to the communities to which they belonged; and

(b) ‘enemy alien’ internees were deprived of their freedom and consider that this was primarily on the basis of their ethnic and cultural identity under the mistaken belief that this cultural heritage posed an unreasonable risk, and not for any demonstrated or valid security concerns;

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FEDERATION CHAMBER
(3) notes:
   (a) the substantial research and personal histories that demonstrate that the internment experience
       had a long term, detrimental impact on the physical and psychological health and wellbeing of many of
       the people interned; and
   (b) that two thirds of all Italian internees were interned in the states of Western Australia and
       Queensland, including more than 1000 in Fremantle, and that certain communities and industries were
       particularly affected by the internment policy;

(4) recognises and acknowledges the pain, suffering, grief and hardship experienced by the people who
    were interned and their families, and in particular, the impact on mothers and wives who were left to
    care for children, homes, farms or businesses alone;

(5) congratulates those internees and their families who made the decision to remain in Australia and
    rebuild their lives following internment and/or other discriminatory treatment including the inability to
    buy or lease land, or obtain bank loans, the prohibition against travel, and the confiscation of torches,
    radios, cameras, trucks and tractors;

(6) celebrates the lives of those former internees and families, and those wrongly classed as ‘enemy
    aliens’, who despite their experiences went on to make a significant contribution to the economic, social
    and cultural development of Australia; and

(7) expresses the hope that as a maturing nation we have learned from the experiences of the World War
    II policy of internment and that we should ensure that current and future generations of migrants to this
    country, and their descendents, are treated with justice and equality before the law, and not
    discriminated against on the sole basis of their cultural heritage.

Ms PARKE (Fremantle) (18:29): I rise this evening to acknowledge the thousands of
Australians who were detained in internment camps during World War II or were subject to
other forms of discrimination and deprivation on the basis of their migrant heritage. I have
brought this motion to express heartfelt regret that in those circumstances we misjudged and
mistreated a minority of our fellow citizens while in the thrall of fear and prejudice and, in so
doing, subjected many good people to suffering. More than that, I want to recognise and pay
tribute to the fact that those people who were interned, including more than 1,000 Italian
internees in Western Australia, put aside the suffering inflicted on them and, in the return to
peace, renewed their profound contribution to the rich and diverse multicultural Australia that
we now all share.

I cannot think of a better example of this than Tom D'Orsogna, a resident of Fremantle,
who at 21 years of age was interned in Fremantle Prison. The food was poor and strictly
rationed, and the general conditions of internment affected the health of many internees. But,
upon his release, Tom D'Orsogna simply got on with his life. He opened a small butcher's
shop on Stone Street in Fremantle, and today his smallgoods business employs 450 workers
and has an Australia-wide presence and reputation for excellence.

Before I go further, I want to thank all the members who are contributing to this debate this
evening, and I want to particularly acknowledge the advocacy and leadership of Peter
Tagliaferri, the former Mayor of Fremantle, a longstanding and active member of the Western
Australian Italian community and my good friend. Peter's grandfather and father were
interned during the Second World War, and he grew up in a community dealing with the
effects of that policy and with the prejudice that underwrote it.

The situation at the outset of World War II was so starkly different from today as to be
virtually impossible to hold in one's imagination. There was a sense that the most basic order
of things was being torn apart and that destruction, chaos and tyranny were spreading inexorably across the world's map. Whole nations had been invaded, defeated and annexed, and the idea that Australia too might experience invasion and subjugation, as Poland, France and China had done, was very real. It was in those circumstances that Australia put in place security measures under the provisions of the National Security Act 1939-1940. Internment of people designated as 'enemy aliens' or 'naturalised persons of enemy origin' was a key part of that policy.

While I am not here to say that the people who believed those measures necessary were bad people, I am here to say that the measures themselves were wrong. Thousands of migrant Australians whose lives were enmeshed in the social and economic fabric of their communities had their houses ransacked and their menfolk seized and put in prison out of fear that they might collaborate with our enemies. Between 1940 and 1943 nearly 9,000 people of Italian, German and Japanese descent were interned. That included more than 20 per cent of Australia's Italian population and an astounding 97 per cent of all people originating from Japan, including women and children.

Internees were stripped of their rights, their dignity, their liberty and their family. Those not interned were subject to restrictions on movement and property. Of course, the families who lost their fathers, sons and brothers also lost their livelihood and personal security. At the same time as we acknowledge the wrong that was done through internment, we should recognise and celebrate the remarkable fortitude shown by women and families within migrant communities who kept their households and children afloat in a time of terrible uncertainty, hardship and loneliness.

I bring this motion for debate because the internment policy should be better remembered as part of Australia's World War II history but also because I represent an electorate whose Italian community was one of the worst affected. It is a community that continues to be such a deeply intrinsic part of Fremantle's character, its flavour and diversity, and its distinctive joie de vivre—or should I say its sense of la bella vita?

I want to thank Tony Piccolo, the member for Light in South Australia, for raising this matter in the South Australian parliament last year. Mr Piccolo highlighted the practice of housing prisoners of war together with internees. This caused the death of one internee who was killed in a fight for expressing his support of Australia's cause. He died in defending his country even while his country had turned its heart against him.

One of the terrible things about war is the way it pushes a tide of fear and intolerance through any civil society, freshening prejudice and turning what might be a latent discrimination into measures that can amount to real cruelty. This certainly occurred in Australia in the early 1940s through the harsh and summary internment of migrant Australians. It was a self-inflicted wound. It caused suffering to our fellow Australians and to the communities from which they were torn. I believe it is right that we express our regret for those policies and our admiration for the people who endured them and, through their courage and forbearance, transcended them.

Ms GAMBARO (Brisbane) (18:34): It is with much pleasure that I rise to support the motion moved by the member for Fremantle. I congratulate the member for Fremantle for moving this motion and bringing it before the chamber but also for bringing before the chamber a very sad part of our history that unfortunately gets forgotten. It is left out of the
The motion sincerely acknowledges the experience of enemy aliens who were interned in Australia during World War II and the severe and detrimental impacts that that policy had on the families and communities involved. I speak to this motion as a proud daughter of Italian migrants with a degree of personal experience, as my grandfather was interned at the Loveday Camp, near Barmera, in South Australia. I will relay some of that experience later on.

In both world wars Australia interned not only civilians from a number of enemy countries but also civilians brought to the country from elsewhere, including British and Dutch possessions in the Asia-Pacific region, as well as seamen and passengers from any merchant ships impounded in port or intercepted at sea. This was common international practice, with internment of enemy civilians occurring in most countries that were engaged in both world wars. The rationale behind that was that their presence, supposedly, posed some sort of threat and security risk to our great nation. History will show that that particular theory was deeply flawed. It was discriminatory, ethically wrong and logically unsound. Indeed, as the motion notes, many of the persons interned were born in Australia, Australian residents or British subjects. These people in turn became known as 'enemy aliens'. According to the research that I have gleaned from the Parliamentary Library, during the high point of internment in Australia, in September 1942, some 6,780 persons were held in custody, including 1,029 Germans, 3,651 Italians and 1,036 Japanese civilians.

I think it is fair to say that the group that was severely impacted by the policy was the largest group, the Italian-Australian community. During the period of the policy nearly 17,000 people were interned. Nearly 5,000 of them were Italo-Australians and over 2,000 of them were from Queensland. It is a very sad part of our history and a very sad part of history for many Italo-Australians.

The process of internment, as the member for Fremantle spoke about, was very harsh. It was disrespectful and undignified. Many families were separated and divided. They had to endure the spectacle of being dragged from their homes, in front of their neighbours and families. They were interned not by individual assessment of the supposed risk they imposed but because they had a certain cultural and heritage background. Quite often their homes would be ransacked and destroyed, leaving emotional and traumatic scars. We should acknowledge not just those who were interned but also the women and children, as the member for Fremantle spoke about, who were left to fend for themselves after their husbands or their fathers had been taken.

Last week I went to a Co.As.It. International Women's Day lunch where Anna Barbi spoke of the experiences of her and her husband being taken away from their property in Far North Queensland. She was forced to go back and live with her family. There was no way that she could continue the family farm. The banks foreclosed because the farm was no longer productive.

I also had a grandfather interned in South Australia. I want to pay tribute to him. In the whole time I knew him when he was alive he never spoke of the camps, but he was interned for about three years. Again, he was working in Far North Queensland when he was taken. He did become the camp cook, which later led him opening a restaurant. It was a very sad period for many Italo-Australians in this country.
In conclusion, it is absolutely right that the Commonwealth parliament acknowledges what the enemy aliens went through and expresses its regret at the suffering and the damage that was caused. I am very proud to support the motion that has been put forward today by the member for Fremantle.

Mr LAURIE FERGUSON (Werriwa) (18:39): I congratulate the member for Fremantle on moving this motion not only to outline the specifics of the Second World War incarceration but because it represents a broader international problem. After the Second World War, Stalin deported hundreds of thousands of Chechens, Volga Germans and Crimean Tatars. In Czechoslovakia the government expelled hundreds of thousands of Sudeten Germans. This is symptomatic of societies that distrust their citizens in times of conflict. I do not want to cover extensively the Second World War situation—other members have—but there are some very worrying historical patterns in this country. In the First World War, because we had doubts that King Constantine would stay onside with the allies, every Greek family in this country was investigated by the precursor of ASIO, who went to their neighbours and asked them about their loyalty. In the Riverina, particularly, in both world wars the large number of German settlers were very heavily persecuted and the names of towns were changed. I had the opportunity in my political career to discuss this with Tim Fischer, a previous National Party member from the Riverina, whose own family endured these kinds of circumstances. It was not here of course. In the United States, although they only incarcerated one per cent of Hawaii's huge Japanese population, 100,000 Japanese in the United States were incarcerated. It was only Reagan's apology in 1998 that put some end to that.

Similar events occurred in this country. Sir Henry Bolte was probably one of the toughest politicians this country has ever produced and was famous for hanging Ronald Ryan. If you go to this country's National Archives and listen to his oral history, he said that throughout his political career he always dreaded that the Australian people would find that he was of German extraction. In the Riverina, in Mildura, and in the Albury area we incarcerated two Lutheran ministers because they might have been pro Nazi. One of them, unfortunately, was a Lutheran convert from Judaism. A person active in Sydney's Jewish community, Josie Lacey, tells the story that, when she arrived here as a Jewish refugee, she and her family were so distrusted that they were not allowed to live on the coastline near Bondi or Vaucluse. They were moved out to Wentworthville because they might otherwise communicate with German submarines.

My local Guilford chemist is of Italian extraction and told the story that throughout the Second World War his father was forced to work for the Catholic Church from Monday to Friday, basically for nothing, and only come home on weekends. We have a situation in this country where, in times of conflict, minorities are doubted and there is no respect for their citizenship of this country. Amongst the 7,000 incarcerated during the Second World War, 1,500 were nationals and were actually British citizens.

There are other things I had not heard about. One thing I came across when reading about this resolution was an incident that I was previously unaware of. At Cape Bedford in Northern Queensland, because the local Lutheran pastor was a German, they moved 250 Aboriginal Australians to Cooktown and Cairns because we could not trust them because they had a Lutheran pastor. Of those people, 28 died in the first month because of the change of
temperature and climate and, eventually by March 1943, 60 of them had perished. We pride ourselves on multiculturalism and, of course, we are a world leader. But these are things we should be very careful of. As I say, in times of frantic nationalism and patriotism, these kinds of mentalities and situations arise.

Another incident in this country happened in Broken Hill, where rioters burned down the German club and a large number of other properties connected with Germans. It is a situation that is very damning. The major writer in this area is Klaus Newmann author of *In the Interest of National Security* and another article on Wolf Klaphake entitled, *A Doubtful Character*. Another incident is that a person, who was an inventor, was victimised by the German Nazis and managed to get to this country. However, he fled and got to this country to be liberated and then we incarcerated him because he might have been a Nazi sympathiser.

The dimensions of this are that people were ostracised by their neighbours, by the people that they went to school with and by their friends, they were marginalised in society and not trusted, their lives were basically torn asunder and careers that they might have aspired to were destroyed. All of these are things that are very integral to the resolution that the member for Fremantle has moved. I recommend it very strongly to the House and congratulate her endeavour in an important issue.

Mr McCORMACK (Riverina) (18:44): I rise tonight to acknowledge the many people who were interned in Australia during World War II. Many of those interned were dinky-di Aussies who had contributed greatly to Australia. Last month the South Australian parliament unanimously accepted a bipartisan motion, moved by Labor member for Light, Tony Piccolo, to acknowledge the internment of Italian civilians living in Australia during the Second World War. I acknowledge the member for Fremantle's motion and accept that, in many cases in many ways, it was wrongful internment. As the Australian government established a war economy it also began to take steps to neutralise what was considered the potential threat posed by resident aliens. The Australian War Memorial noted that, at the time:

>Australians were gripped by an irrational panic about the potential for the tens of thousands of foreign nationals resident in Australia to become saboteurs or spies. The decision was made to introduce severe restrictions on the aliens and, in some cases, to imprison them in internment camps. The internment of aliens was considered to be a last resort, and women and children were not allowed to be interned. The process of arrest and internment was usually peaceful but, as the member for Brisbane pointed out, it was unfortunately often not the case. Authorities sought internment only if there was a reasonable case and evidence against an individual enemy alien, such as evidence which linked them to participation in or membership of the Nazi or fascist movement. People tied to the movements responsible for the war in Europe made Australians feel understandably apprehensive. They believed that by internment they were reducing the potential threat they posed to the protection of Australia, our internal security and peace of mind for the wider population.

I acknowledge the disruption these migrants faced and stress which it placed upon their families. To many, it seemed unfair, and it was unfair that they were being persecuted for their beliefs, often on evidence they felt was incorrect. Others could not understand why they were being segregated because of who they were and their place of origin—their heritage. However, we must acknowledge that a decision was made to protect the wider community based on the information at hand. In my electorate of Riverina, Griffith has a strong Italian
community, with about 60 per cent of the city claiming an Italian background. Many Italians moved to Griffith post-World War II to join family who were already resident there or because they were aware of the Italian community that was already established. The Italian influence in Griffith expanded the fruit and vegetable range and also significantly increased the number of wineries and the range of wines produced, with nationally and internationally recognised wineries including De Bortoli and Casella wines.

It is important that we acknowledge parts of our history which are not necessarily elements which we find acceptable or palatable today. Many would deem the internment of people as xenophobic and based on irrational panic. However, we must also look back through the eyes of the people of the time to ensure that we do not unfairly judge them for actions they felt were being undertaken to protect Australian citizens and to help prevent war arriving in Australia, possibly from within. I accept the member for Werriwa's mention of the change of name of Holbrook, from Germanton, to avoid the obvious connotations and connectivity.

Lobbyist Steve Carney was in the House this afternoon and spoke of the two Italian prisoners of war who worked on the Purlewaugh property of his father Arthur during the Second World War. 'Hard workers, good people' was how he described these men. Indeed, many Italian migrants and POWs and people of Italian heritage contributed mightily to this country during these difficult, torrid and worrying times. They were also desperate years, and those in authority did what they felt was necessary to safeguard our people and our security. That is, after all, the key role of government. It was then and it remains more so than ever today. However, I do commend the member for Fremantle for her motion and I commend it to the House.

Mr GEORGANAS (Hindmarsh) (18:48): I too rise in support of the member for Fremantle's motion, which, according to the motion itself, is drawn from a motion moved in the South Australian parliament by the member for Light, Tony Piccolo. There were 18 internment camps during World War II, including Yanco, Hay and Cowra in New South Wales; Nangwarry and Loveday near Barmera in my own home state of South Australia; Gaythorne in Queensland; Dhurringile, Murchison and Tatura in Victoria; and Harvey and Northam in Western Australia. People suspected of being of German, Italian or Japanese background were targeted and persecuted by ordinary members of Australian society. There were stories of vandalism, sackings and personal assault. It would have been a terrible time for many people of German, Italian or Japanese background—many of whom had been here, in some cases, for a couple of generations or more. The government did not intern all people of German, Italian or Japanese background. Curtin acknowledged that this would not increase our security. Of those in Australia during that period, 33 per cent of German background, 15 per cent of Italian background and 97 per cent—almost every single person—of Japanese background were interned through the war, irrespective of the level of threat they represented. Internees were grouped in camps along cultural or national lines. People of German descent were interned together irrespective of their political views and we would have had many Germans who were anti-Nazi at the time and, in fact, were advocating in Australia against Hitler. Likewise those of Italian background. I suppose they were grouping communists, anarchists, fascists and the apolitical all into one.

We know there were many people of Italian and German backgrounds who were against the fascist movement in Europe, but this would not have made any difference. Mistakes and
errors in judgment were made in my own electorate where I have many Italians and many
people of Greek background who held Italian passports because, as a result of their islands—
mainly the islands of Rhodes and Kos—being made up as a protectorate of Italy after the
breakup of the Ottoman empire in 1921, were interned even though Greece was an ally. Even
though they were clearly Greek, they held Italian passports and it took months of negotiations
to release them.

Recently I launched a book in South Australia, *The story of a community: a short pictorial
history of the Greek Orthodox community in South Australia*. The Greek community at the
time of the war decided to make special badges saying 'We are Allies' and they would wear
them in the city so that they would not be abused by people who thought that they were the
every. The internment in November 1942 of a known antifascist campaigner, Francesco
Fantin, with fascists at the Loveday site in South Australia's Riverland epitomised the
injustice and absurdity of the practice of internment. He was a long-standing and active
opponent of Italy's fascist regime. Fantin was put in a camp with supporters of Mussolini's
fascist state and it led to him being killed. Born in 1901, Francesco Giovanni Fantin left Italy
as an antifascist immigrant in 1924. In 1927 he established the antifascist Matteotti Club in
Melbourne and the Mourilyan Italian Progressive Club in Queensland. He was overlooked in
the first round of internments in 1940 but was arrested in 1942 as an enemy alien. In the
internment camp at Loveday in South Australia's Riverland, Fantin continued his political
activity and was organising with other antifascists sample donations of sheepskins which they
sent to Russia, which at the time was a key ally against Hitler and Mussolini. The fundraising
in the Loveday camp proved provocative to the interned fascists who targeted and murdered
him on 16 November 1942.

The internment regulations were considered by civil libertarians to be draconian. The onus
of proof against internment was placed on individuals to show that they were not enemy
aliens and should not be interned. In the years of internment, 7,000 Australian residents were
interned and a further 5,000 civilians interned from overseas. These included people from
mainland Europe, including people of Jewish background, and people from the United
Kingdom, Dutch, British and French colonies in the Pacific and South-East Asia. Prisoners of
war were also imprisoned with these interns. There were a number of constituents in my
electorate who were interned in World War II but as far as I know they all have passed away.

*(Time expired)*

Mr ROBERT (Fadden) (18:53): I rise to support the member for Fremantle and to thank
her very much for her motion, which is detailed, personal and entirely appropriate. History
records that in the interests of national security the Australian government interned thousands
of men and women during World War I and World War II. It is fair to say that they thought
they were doing that with the best of policy intentions, but it is also fair to say that there were
many, many voices that spoke against it at the time—voices of reason, voices of compassion.

History has shown that the policy was wrong. Those present, at the time, should have told
them the policy was wrong. Most of those who were interned were classed as 'enemy
aliens'—that is, they were nationals of countries at war with Australia. The reasons for
establishing these camps and interning foreign nationals were apparently threefold: first, to
prevent residents from assisting Australia's enemies; second, to appease public opinion; and, third, to house overseas internees sent to Australia for the duration of the war.
Somehow we as a nation at the time lost sight of the fact that when Australians sailed off to war in November 1914 from Albany four ships sailed: two cruisers and one other ship escorted by a Japanese warship crewed by Japanese sailors. Somehow we forgot that Australians of Chinese descent have served Australians in every war from the Sudan in 1885 through to Iraq in 2005. In fact, the earliest Chinese-Australian serviceman is Sergeant John Joseph Shying who served with the New South Wales contingent in the Anglo-Egyptian War in the Sudan in 1885. Shying's grandfather Mak Sai Pang came to Sydney in 1818. He married Sarah Ferguson in 1823. Sarah was a free settler who had come to Australia with her convict mother. Christopher Shying, another family member, served in the 1st AIF.

Many Chinese men and citizens of other nations stormed the beaches of Gallipoli. It is one of the great enduring factors of us as a nation that we are one of the great multicultural nations on earth. In April 1915, with the Federation just 15 years young, the great thing about Australia's ill-fated assault on the Gallipoli Peninsula is that it was done by Australians, many of whom were not born here. They were Geordies, Italians, Chinese and Japanese—the force that assaulted the peninsular was made up of men from all different nations. That is why it is disappointing that ostensibly through the First and Second World Wars the government of the day, albeit with the best of intentions, fell back on a sense of unease and established a range of internment camps.

These camps were established across the country, from Cowra in New South Wales to Enoggera in Queensland, Harvey in Western Australia, Hay in New South Wales, Holsworthy and Liverpool in New South Wales, Loveday in South Australia, Rottnest Island in Western Australia, and Tatura and Rushworth in Victoria. In World War II, internees were often held in smaller camps before being transferred to larger ones—Bathurst in New South Wales in 1939, Long Bay from 1939 to 1941, Orange in New South Wales in 1940-41, Parkeston in Western Australia and Dhurringile near Murchison in Victoria.

The aim of internment was to identify and intern those who posed a particular threat to the safety or defence of the country, notwithstanding that many of their own countrymen were fighting beside Australians from other lands who had come to call our country home. As the war progressed the policy changed and Japanese residents were interned en masse, again forgetting our history as our soldiers sailed from Albany en route to World War I. Most internees during the First and Second World Wars were nationals of Australia's main enemy during respective conflicts. Their only crime was to have been born in or associated with the country with which we found ourselves in conflict. In the latter years of World War II Germans and Italians were interned on the basis of nationality alone, rather than any particular threat that authorities may have believed had been posed. Over 20 per cent of all Italians residing in Australia during World War II were interned.

That is why I think it is important that the member for Fremantle brings the motion for debate and discussion within the halls of parliament today. It is an important motion. We should not run from our history or hide from it. We should not try to reinvent it or re-interpret it. We should accept it and understand it. If we are wrong we should apologise for it. As a nation we should embrace and move forward together with a shared view of our future.

Debate adjourned.
Wind Turbines

Debate resumed on the motion by **Mrs Moylan**:

That this House:

(1) recognises the importance of clean energy generation technologies in Australia's current and future energy mix;

(2) acknowledges the exponential growth of wind power across Australia;

(3) appreciates that prudent planning policies are key to ensuring new infrastructure development does not adversely impact upon the social fabric of communities;

(4) notes that:
   (a) the Environment Protection and Heritage Council has decided to cease further development of the National Wind Farm Development Guidelines;
   (b) there is significant anecdotal evidence supporting concern about the health and associated social effects of wind farms which remain unresolved; and
   (c) the Senate Community Affairs Reference Committee's report, The Social and Economic Impact of Rural Wind Farms has, as a matter of priority, called for adequately resourced studies into the possible impact that wind farms have on health;

(5) recognises that the National Health and Medical Research Council's rapid review into wind turbines and health is only a cursory compilation of literature on the topic and not an in-depth study and should not be principally relied upon to inform planning guidelines;

(6) calls on the Government to urgently commence full in-depth studies into the potential health effects of wind turbines, especially low-frequency infrasound;

(7) requests that the Government fully investigate international best practice in planning policies regarding wind farms and, in conjunction with State governments, publish comprehensive updated guidelines;

(8) calls on State, Territory and local government authorities to adopt cautious planning policies for wind farms and in the interim provide adequate buffer zones and not locate wind farms near towns, residential zoned areas, farm buildings and workplaces; and

(9) calls for approval processes to require wind farm developers to indemnify against potential health issues arising from infrasound before development approval is granted.

**Mrs MOYLAN** (Pearce) (18:59): Because I am the first speaker to this motion tonight, I take the opportunity to thank my colleagues from both sides of the chamber for making a contribution to this debate. I notice that there has been considerable interest in it. In particular I thank my colleague the member for Hume for co-sponsoring this motion. I know he has long been talking about this issue and the need for it to be satisfactorily resolved. I will speak, of course, to the motion on wind turbine planning policies. I will not read out the motion in full, as time does not permit. But, as a clean and relatively cheap technology, wind power has become one of the fastest growing sources of energy in Australia. The industry has expanded at a rate of 30 per cent annually since 2001 and at least 90 new wind farms are currently proposed across the country, in addition to the 87 now operating. The rapid growth of this industry highlights the significant potential for clean energy in Australia. I am very supportive of a strong renewable program. In fact, a timely piece on Fran Kelly's ABC *Breakfast* program last Thursday reinforced the fact that a renewable energy program can provide greater security of energy supply. German politician Hans-Josef Fell told listeners that France, which derives nearly 75 per cent of its energy from nuclear power today, has recently been
unable to meet its energy demands with its bitterly cold winter and poor installation of housing and buildings. France therefore had to look to Germany to import energy. Germany now gains more than 20 per cent of its power from renewable sources, with wind power making up 40 per cent of that renewable energy source.

Renewable energy and particularly wind power are viable sources of energy that have a strong future in Australia. That future can only be strengthened by ensuring that there are robust rules about the location and construction of wind farms. Wind farms are decades old; they are not new. But in modern times the magnitude and the proliferation have grown exponentially. A single wind farm can require tens of thousands of hectares of land, housing hundreds of turbines as tall as the Sydney Harbour Bridge. A single project may amount to a billion-dollar investment. Despite the fact that wind power projects are set to quadruple over the next 30 years under the government’s clean energy package, there are no nationally consistent policies or laws governing their development. Planning decisions taken by state governments vary and may involve legislation that uses an arbitrary rule in relation to proximity to dwellings and workplaces. They do not necessarily take into account the geography or the topographical features of a landscape that wind farms will be located in. In Western Australia, for example, there is no legislation enforcing development plans—just guidelines loosely developed with consideration to the rapid review undertaken by the federal government.

In any jurisdiction in the country, stringent planning policies apply to everything from a backyard shed, or indeed a fence, to an airport. Just ask any developer. Yet planning policies for wind farms are approached on an ad hoc basis, informed by cursory investigations into concerns that in some cases are tearing communities apart, particularly rural communities, and causing many people to vacate their homes. The increased size of turbines and the increased amount of land utilised for the farms are growing to mammoth proportions. Therefore, it seems fundamental that we need proper planning procedure to ensure that the community anxiety is addressed and that the best outcome is achieved for all stakeholders.

I think that we should work on the basis that we should do no harm with this policy. Although wind power is a clean technology, that does not mean that it has no environmental impact. A number of people living near to wind farms have reported a myriad of health issues. The low-frequency noise and infrasound produced by wind turbines has been identified as a potential cause of some of these problems. The science behind infrasound is quite detailed and requires a thorough examination. We certainly do not have the capacity in this debate to go into that in any great detail, but it is apparent that not enough investigation has been undertaken by Australian authorities. In evidence to the Senate Community Affairs References Committee, investigating the social and economic impact of rural wind farms, both wind farm operators and state governments continued to cite the Australian National Health and Medical Research Council’s rapid review in 2010, which concluded:

There are no direct pathological effects from wind farms …

Yet the review was not a scientific investigation or even an analysis, but simply a compilation of existing literature on the subject of low-frequency noise in wind farms. From reading a number of studies on the topic, it appears that the potential for harm arising from low-frequency noise depends on many factors, including the size of the turbine blades—and, as I said, these are getting larger and larger—the number of turbines, the variation in the
topography and the wind speed. An increase in any of these factors may increase the amount of infrasound. There are even suggestions that infrasound travels further diagonally to the wind farm, rather than downwind, where most measurements are taken. But many of these are hypotheses requiring much more study.

A related question which also needs to be investigated is why this issue is becoming more prominent now. The forerunners to modern wind turbines were created in the 1940s, and commercial sized wind farms have been in existence since the 1970s in the United States and the 1980s in Europe. Many countries such as Denmark and Spain appear to have successfully integrated wind power with little concern, yet the experience in others, such as the UK, has been vastly different. In fact, the United Kingdom House of Commons is currently considering a private member's bill on best practice in buffer zones, from the member for Daventry, Mr Chris Heaton-Harris. We need to investigate why international experiences have been vastly different and use that knowledge to inform best practice in setting Australian guidelines.

With such uncertainty on the subject, and compelling anecdotal evidence of people suffering harm, surely it is prudent that in-depth research is commenced as a matter of urgency and planning policies take a cautious approach in the interim. The Senate committee came to a similar conclusion in June 2011, with all of its recommendations calling for either further research into the area of infrasound as a priority or improved planning policies. But the government has taken little action to take up the recommendations of that committee, and $3 billion worth of wind power assets have been announced in the meantime across Western Australia, South Australia, Victoria, New South Wales and Queensland. With even more billions to be invested in wind farms in the future, I am sure business would also prefer certainty, with regulations informed by comprehensive evidence rather than being beholden to the view of the government of the day and increasing community concern.

As I have noted, state regulations vary widely. Most states employ a one- to two-kilometre buffer zone, but whether that is sufficient remains a point to be argued, especially as turbine blades are heading towards over 150 metres in diameter. A buffer zone proportional to the blade diameter is being proposed in the United Kingdom by the member for Daventry and may provide a useful template for Australia, or other solutions may arise through thoughtful study and investigation.

I stress again that, while critics may suggest that this motion is anti-wind or will damage investment in industry, I am not against this technology. I am strongly supportive of wind power, of any renewable power. I think we must do whatever we can do to mitigate the worst effects of dangerous elements within our atmosphere. This motion is about proper risk management and evidence based policy for the sake of all stakeholders. I call on the government to urgently and comprehensively investigate this issue and in the meantime err on the side of caution and adopt national policies that protect the public from potential harm.

Mr ZAPPIA (Makin) (19:09): I take the opportunity to speak to this motion on wind turbine planning policies because I believe it is an important matter, as the member for Pearce has quite rightly pointed out. It is important because it affects the lives of so many of the people living in communities in and around where the wind farms have been established, not just in Australia but right around the world. The member for Pearce quite rightly points out that this is not a new industry. The history goes back to 1941 in the US, where the first wind
turbine of substantial capacity was established. Since that time, particularly over the last 30-odd years, wind turbines have been established around the world, starting with a rollout of the wind turbine program in Denmark in 1978 and then spreading right across Europe, the USA and Australia.

In my own home state we have seen a substantial increase in the number of wind turbines that have been constructed. In 2004 wind turbines generated some 34 megawatts of power. Today they generate 1,205 megawatts, which represents about 20 per cent of South Australia's total demand for energy. In fact I understand that 51 per cent of the nation's stored capacity has come from South Australia. I can assure members of the House that I am reasonably familiar with this issue due to what has happened in my own home state.

This matter is currently managed by state governments, which are responsible for the approval process related to the construction of these turbines. I have some understanding of this area, because prior to coming into this place I spent some time in local government, not only dealing with planning matters from that perspective but also spending some time on the state government's Development Assessment Commission, where I was personally involved in one of the wind turbine applications. For all the criticism of that process, certainly in my home state it was fairly thorough, from my recollection. An environmental impact assessment was carried out by the proponents. The application process itself was far from rushed: there was a substantial opportunity for both supporters and opponents of the application to state their views and to raise objections. I accept that that would have been the process for all the other applications that we dealt with in South Australia over the years. From reading recent reports about other applications I know that there is an ability for the community to comment on them. Having said that, I accept that there is also some criticism of the processes and that ultimately not every party to an application will be happy.

Wind power generators have an impact not only on the environment and the general landscape of an area but also on the health of the people and the bird life living in surrounding communities. A number of reports have alluded to the impact these facilities have on both the people and the birds living near them. What is uncertain, however, is just how those impacts manifest themselves. While I have read reports which suggest there is a real impact on the lives of people in communities within reasonable proximity of wind turbines, I have also read reports which suggest there has been no reliable evidence to confirm that. So I accept that more research has to be carried out.

I am pleased to see that the National Health and Medical Research Council is proposing to put out some further statements on this matter after carrying out scrutiny of some of the research papers that have been produced to date. I understand that those research findings will be available by the end of the year. I think that is important. I also note that the Senate Community Affairs References Committee, which reported in June 2011, has referred to the National Health and Medical Research Council findings, so clearly the work of that council is important in helping us better understand what is at stake here and what needs to be done if we are to overcome the concerns of those who have quite rightly raised health concerns with respect to the wind generators.

This issue has to be considered in context, and by that I mean that whilst there are unquestionably health and environmental issues associated with the construction of wind turbines, so, too, are there such issues with other forms of power. Wind turbines are being
established to try to provide us with power—and I will come back to that a bit later in my speech. Currently, the alternative to wind generators is coal or gas. If you look at the health impacts of coal generated power as opposed to wind generated power you have to question whether coal is in fact a better option. In fact, my understanding is—and this comes from some work that was carried out in the USA—that coal fired power plants and coal production generally in the US directly or indirectly contribute to about 50,000 deaths per year. That is a staggering number of people who die from the alternative to these wind generators. Those deaths arise from things such as lung and kidney disease and cardiopulmonary diseases and the like. Again, they may be very hard to absolutely pinpoint and quantify, but those seem to be some of the best estimates made by people who have done some work in that area.

Here in Australia concerns have also been raised with respect to water contamination as a result of coalmining and higher water consumption. We have not even touched on the deaths of miners in the past, arising directly from coalmining activities. As I see it, if we are going to raise concerns about wind generated power it certainly has to be put in context when you compare it with what else is happening.

I do accept that in recent times concerns have been raised throughout the world—in Britain, Canada, Germany, Spain and elsewhere—about the number of wind turbines that have been established there not so much in respect of the numbers but more so with respect to the fact that they have been subsidised by the taxpayers of those countries. I understand that those governments are withdrawing subsidies for the construction of those generators. Ultimately, those subsidies come out of taxpayers' funds and are paid for by the citizens of those cities.

Finally, why have we seen an explosion in the number of wind turbines in this country and across the world? This is a significant issue. We know that we have to stop putting carbon dioxide into the atmosphere. Countries around the world are looking for cleaner and greener energy systems and wind has been considered to be one of those cleaner and greener energy systems.

Only last week I attended a luncheon where some of Australia's leading climate scientists came to speak to members of parliament about their concerns of carbon emissions and the continuing rise of carbon emissions in the atmosphere. The member for Pearce might have been at the luncheon. They said that, at the current rate of those emissions, we are very likely to see an increase in temperature of four degrees by 2100. Again, you have to then consider: what will be the impact on mankind of that kind of change in temperature as opposed to some of the impacts that we might be confronted with by looking at some of these cleaner and greener energy systems, including the costs of them?

I suggest to the House that the impact of an increase of four degrees in the temperature by 2100 would be devastating. We will see an increase in the intensity of floods, cyclones, droughts, fires and the like, of the type we are now seeing in Australia. These impacts will not only cost lives but will also cause billions of dollars of damage along the way. It is those kinds of events we are trying to prevent by looking for cleaner and greener energy systems. I accept there are concerns about wind turbines; I accept that we need to have a closer look at them. I accept that the subsidies in respect of them also need to be more closely monitored. But I put it to the House that they ought not be simply discounted because of the concerns that have been raised to date and that they ought to be considered as part of the mix of the energy
supply that this country will be reliant upon in years to come. I commend the motion to the House for consideration.

Mr SCHULTZ (Hume) (19:19): It is a shame that I will not have more time to expose the great fraud on the Australian people that is the wind turbine industry. Communities in proximity to wind turbine complexes are experiencing health and noise impacts that interfere with their lives. They did not experience these issues before the turbines came online. I have received complaints from my constituents that confirm similar experiences at other sites. It appears that noise frequencies occur inside houses, which some people hear and others do not hear. Similarly, it appears from testing that there are low frequencies in houses that are below the threshold of hearing that can generate effects on people, giving rise to headaches and nausea. There is no transparency in relation to noise testing. It is all in-house by the wind operators and nothing is released in the public domain. The wind turbine industry says there are no problems but there are cracks appearing in this position. A number of wind turbine operators are now buying houses when there is proof of a noise issue even when they say there is no problem. There are proposals for hundreds of turbines to be installed and we still do not have the health and noise studies nominated in the Senate inquiry. It is foolish to proceed with more turbines on the problems with the current ones simply have not been resolved.

Rural communities believe they are being discriminated against by the provision of wind farms producing excessive noise. They have every reason to believe this when you investigate the conduct of the New South Wales planning department in their lack of due diligence and accountability in the noise compliance assessment process. That the New South Wales Department of Planning is clearly complicit in also hiding the truth from rural communities can be seen from this noise compliance assessment document of the Capital Wind Farm which has had 80 per cent of the data removed prior to the document being released under a freedom of information request. This wind turbine monitoring data was collected by bi-back acousticians and yes, you guessed it, paid for by the wind farm owner operator Infogen. The document was removed from the New South Wales Department of Planning website by Deputy Director-General Richard Pearson because Infogen insisted that the data was commercial-in-confidence. Did this data conveniently remove from this industry funded report prove beyond reasonable doubt that Capital Wind Farm was indeed operating illegally within the New South Wales planning department's conditions of consent? Why would Infogen and the New South Wales department want to keep this information a secret if it was not going to reveal that this wind farm should never have been signed off on? How can the New South Wales Department of Planning have any credibility with any audit process it undertakes on wind turbine complexes in New South Wales? Interestingly, at a recent community meeting at Yass employees of the Department of Planning New South Wales admitted that no compliance monitoring has ever been carried out by the New South Wales Department of Planning in the state of New South Wales.

In the little time left to me I want a quote from an executive summary of an acoustic group's recent investigation about noise from wind farms on the New South Wales border:

The background noise monitoring survey report is found to have been flawed. The noise impact assessment, chapter 12 environmental assessment and appendix G2 noise impact assessment has been found to be inadequate and likely to be inaccurate. They fail to properly examine the lack of data for the
type of turbine assumed and appropriate sound power level for modelling purposes that reflects actual operating turbines.

It goes on and on:

There has been found to be a fundamental inadequacy in the acoustic assessments in that they do not attempt to discuss or examine the actual noise impact for the community. Such an analysis is required by the director-general's requirements and by the principles contained in the South Australian legislative process.

As I said, I could talk about this particular issue for hours on end. The more I dig on it, the more I find what appears to be not only misinformation to the public but also a very interesting indication that there is corruption within the industry between certain government agencies at state and national level and, more importantly, a very concerted effort by the wind turbine developers to shut down anybody who criticises them. The classic example of what I am talking about in closing is the threat of legal action against me by a particular environmental group in Victoria and attempts to discredit my good name on the issue of information I have obtained on the public record and beyond.

Ms SMYTH (La Trobe) (19:24): It is a pleasure to speak on this motion on wind turbine planning. I had hoped that the approach of the mover of the motion, the member for Pearce, would be to have a rational debate about the operation of the wind turbine industry and the unique opportunities it presents to respond to climate change concerns that many of us in this place, and certainly those of us on this side of the House, hold in relation to ensuring a clean energy future. I think the motion was framed initially in that way but, based on the last contribution, I begin to wonder whether it is a vendetta against the wind turbine industry as a whole rather than an expression of public health concerns. I had the thought that that was the approach being taken in the casting of the motion initially. Those on my side of the House, in government, certainly reflect on the importance of alternative energy sources in our country, and I certainly know in my home state of Victoria many of us reflect regularly on that because some of the planning decisions recently taken by the Baillieu state government in relation to the two-kilometre setback applicable to wind farms have had a significant and many would say a disproportionate and inappropriate impact upon the industry as a whole and upon opportunities for those who invest in the industry to proceed with the development of wind farms in Victoria.

In debating this motion we have to take a very sensible and rational approach to what are and are not realistic medical and health concerns associated with wind farms. I know that a great deal of work has been done on analysing the potential health effects of wind turbines. I know, for instance, that in 2009 the NHMRC conducted a comprehensive review of current scientific literature to determine whether there is a link between turbines and adverse health effects. At that time there was no published scientific evidence to positively link wind turbines with adverse health effects. In July 2010 we know that the NHMRC released a public statement entitled 'Wind turbines and health' and supporting evidence, 'Wind turbines and health: A rapid review of the evidence'. Following on from that, in 2011 we had a Senate inquiry and a scientific forum was held by the NHMRC in June of that year. We know that the NHMRC elected to conduct a further literature review, and that was appropriate to see whether any more scientific evidence had emerged.
It is appropriate that the NHMRC have the opportunity to determine whether any further decisions should be made regarding the updating of its current public statement and whether any further work is required. We know that it is established practice within the scientific community to undertake a literature review prior to deciding to proceed with further research to determine whether there is a case to respond to, to determine whether there is an appropriate reason for undertaking further research. That is exactly what the NHMRC is appropriately doing, and some of the elements of the motion before us are catered to by the work being undertaken by the NHMRC so it is not necessary to undertake the range of measures featured in the motion until such time as the NHMRC has furthered that work. The scientific literature review into wind turbines and health adopts a detailed and systematic approach to ensure that all important work in the area is captured.

It is worth noting that there is a rigorous endeavour by the NHMRC to appropriately analyse any concerns that arise in relation to health issues associated with wind turbines. A number of eminent scholars and academics have provided evidence to the Senate inquiry, and they certainly raise their own concerns about whether the case around the health issues potentially associated with wind turbines is overstated. Indeed, some of them have indicated that that appears to be the case. I certainly refer to the evidence provided in the submission of Professor Peter Seligman, who is from the Melbourne Energy Institute and has done significant work on cochlear implants and the Australian bionic ear.

Mr MATHESON (Macarthur) (19:29): I rise to speak to this important motion by the member for Pearce on the need for further studies in the development of international best practice policies for wind turbine planning. Wind energy is a booming industry in rural and regional Australia, generating a substantial part of our nation's renewable energy needs. Australia, the United States, Canada and Europe have invested heavily in the wind industry, with billions of dollars of taxpayer grants and subsidies being poured into wind energy every year across the globe.

While it is important that we explore and pursue cleaner energy solutions, little research has been conducted into the detrimental health and social effects of wind turbines on nearby populations. People living near wind turbines report a range of symptoms: chronic sleep deprivation, headaches, nausea, increased stress and what Dr Nina Pierpont MB has coined 'wind turbine syndrome'. Wind turbine syndrome is a recently diagnosed illness mainly because wind turbines are a relatively new technology. This syndrome is believed to be caused by ultra-layer frequency noises known as 'infrasound' generated by turbines moving through the air. Many within the wind industry construe wind turbine syndrome as a fabricated illness; however, people living near wind turbines all over the world are reporting a uniform set of symptoms.

As the body of evidence supporting the detrimental health effects of wind turbines is still largely anecdotal, the government must as a matter of urgency commence full in-depth studies into the potential health effects of wind turbines, especially low-frequency infrasound. Additionally, the government must fully investigate international best practice in planning policies regarding wind farms, and publish comprehensive updated guidelines. As a nation we are investing billions of dollars in wind energy, which is expected to continue over the coming decades. It is incredibly important that our planning policies ensure that new developments do not adversely impact on the health of our communities. Many of these...
health concerns have not been investigated. Nor have there been any in-depth studies into the potential health effects of wind turbines, especially low-frequency infrasound. It is poor policy to allow wind farms to be constructed without proper planning guidelines to protect our rural and regional populations.

The Senate Community Affairs References Committee report The Social and Economic Impact of Rural Wind Farms has called for adequately resourced studies into the possible impact wind farms have on health as a matter of priority. The government has failed to implement any of these recommendations. They have abandoned rural Australia once again. Instead, the National Health and Medical Research Council conducted a rapid review into wind turbines and health. It was only a cursory appraisal of the literature on the topic instead of an in-depth study. There had been no in-depth studies—typical of the government. In fact, the head of the Australian Research Council, Professor Warwick Anderson stated during a Senate hearing that there is simply not enough evidence about the health impacts of wind farms upon communities.

How then can this government be satisfied that this study can be principally relied upon to inform planning guidelines and decisions? This government must commit to funding research to resolve the many unanswered questions surrounding wind farms and health, including the dangers of establishing wind farms in close proximity to residential and future residential communities. Rather than arrogantly pursuing the Green agenda at the expense of hard-working Australian families, the Prime Minister and her government should be listening to the real concerns of people who are being affected by nearby wind farms. The health and well-being of these communities must be given consideration. That is why this motion calls on the government to fully investigate international best practice in planning policy regarding wind farms. These policies should be developed in conjunction with state and territory governments and used to publish comprehensive up-to-date guidelines that take into account much of the new information arising from international experience of wind farms.

This motion also calls on state, territory and local government authorities to adopt cautious planning policies on wind farms, implementing an adequate buffer zone between wind farms and towns and rezoning residential areas, farm buildings and workplaces. As with any large infrastructure project, we must ensure that all levels of government are working for the same standards and guidelines to preserve the health and wellbeing of our current and future communities.

Lastly, this motion calls for planning of approval processes to require wind farm developers to indemnify themselves against any potential health issues arising from infrastructure before development approval is granted. This section of the motion is important as it ensures that when any detrimental health effects are established the developer, not the state or the Commonwealth, would meet the cost of treatment of subsequent healthcare needs.

What a great motion. There is no doubt that renewable energy and green energy has a good future in Australia. However, this does not mean that we throw caution to the wind when developing planning guidelines for the future. It is important that we get the right balance between our renewable energy needs and the wellbeing of our communities, which the coalition has concerns about. More research needs to be undertaken to understand if our communities close to wind farms are suffering, and to ensure that their health is not put at risk. This motion calls for a balanced approach to developing good planning guidelines in
order to ensure a positive future for our green energy sector and our rural communities. I urge all members to support the motion from the member for Pearce. It is a well thought out, great motion.

Ms OWENS (Parramatta) (19:34): I thank the member for Pearce for moving this private member's motion. The member for Pearce is known for her balanced consideration of issues and the way she formulates her motions in a non-political way. I really do genuinely thank her for her contribution today. It is a shame in some ways that we do not get this quality of contribution in the general debate in the lower house. I understand there are political reasons for that at the moment, but it would be a fine thing if contributions such as this were woven into the negotiations in both houses. We would probably be a finer parliament for that.

But here we are in the non-controversial chamber, talking about something that is in fact very important, which is the future of part of the renewable energy sector, which will no doubt be with us for a long time. It has already been with us for decades and it will be part of our future clean energy production. The issues raised by the member for Pearce concerning concerns that some in the community have about health and planning are very real ones. On the planning side of things, the regulation and approval of developments, including the matters of noise and land use impacts, are a matter for the relevant state and territory authorities. Once again, we are in the situation as a federal government of working through the complexities of the Australian political system. Again, while I understand her point in the need for that, it is going to be quite a difficult task over quite some time, while states work out exactly how they do that and how they rationalise and develop the guidelines across state borders.

On the issues of the sound itself, it is a very interesting issue for me. I was studying at the conservatorium back in the late 70s and early 80s, when the field of the effect of sound on the body was really in its infancy. It used to go by the fabulous name of psycho-acoustics. I did a lot of study on it in my composition classes. It was an area of great fascination to me. It is not an unusual idea for me that sound frequencies that you cannot hear can affect the body in various ways, and the mind, for that matter. In fact, people were investigating such sound as weapons at the time. There was quite a bit of research done. Yet I would not go as far as the member for Pearce at this point. I think paragraph 4(b) of her motion, which suggests that there is significant anecdotal evidence, is perhaps an overstatement at this stage. The experts at the National Health and Medical Research Council advise that, while there is anecdotal evidence of concerns about the health effects, it would be inaccurate to describe it as significant. Nevertheless, the moves to have a very serious literature search undertaken is one of the foundations for research. It is one of the basic principles that the first thing we always do is a serious literature search, which helps identify areas for future research. Again, I think that action by the National Health and Medical Research Council to undertake that in-depth study of the literature is a very good first step.

I would also like to point out some words by a man called Professor Peter Seligman of the Melbourne Energy Institute, who has spent most of his working life working on cochlear implants. He has a PhD in electronic engineering and understands infrasound perhaps better than most, because it has been his area of expertise. His statement is that the level of infrasound at the beach is far higher than that from wind farms, that beyond 360 metres the level of infrasound emitted from a wind farm, typically between one and 20 cycles per
second, is below the ambient levels near a beach and below that in the central business district of any city. On the other hand, we are all subjected to far higher internally self-generated natural infrasound levels, which clearly are not a problem. So there are competing views out there. I also have read the emails that come into my office from various people who believe that wind farms do create a physical damage. Even though there does not appear to be evidence of that at the moment, we do need to make sure that as we move forward in this incredibly important form of clean energy, we do manage to satisfy the community that there is not an issue in this. The research being undertaken now is a very fine step along that path. But I really do thank the member for Pearce for what is a well-considered motion.

Mr CRAIG KELLY (Hughes) (19:39): I rise to support the motion moved by the member for Pearce and congratulate her on bringing this issue before the parliament as there is significant evidence of the adverse health effects associated with wind farms. Whenever human health is concerned, we should always be adopting the precautionary principle. Therefore, unless the foreign multinational firms that are seeking to erect these giant industrial wind turbines near Australian family homes can indemnify the local residents against any future adverse health effects created by their wind turbines, they should be, quite simply, prohibited from building them. Unfortunately, in the past this debate has been frustrated through an ingenious marketing campaign under the guise of taking action on climate change and anyone that has even dared to question the groupthink wisdom of covering our countryside with these giant steel structures has been labelled a denier. Now it is possible to support the continued rollout of wind turbines across our country but only if you are prepared to ignore the terrible damage they wreak on the environment. Only if you can close your eyes to the fact that wind turbines kill and maim hundreds of thousands of birds annually who either are sliced in half or have their bodies smashed by turbine blades and are left to die a slow and painful death. Only if you can turn your back on the fact that wind turbines kill millions of native bats because the moving blades cause a drop in pressure that makes the delicate lungs of the bats actually explode. Or only if you can bury your head in the sand to the ecological catastrophe arising from the extraction and refining of neodymium, a tonne of which is needed to make the magnets in every wind turbine, which has resulted in the creation of toxic and radioactive tailings lakes. It is also possible to support the rollout of wind farms if you are prepared to ignore the cost in terms of human health. Wind turbines emit pollution, not only from audible sound but also from infrasound and low-frequency sound, all of which cause serious illness. Dr Sarah Laurie, in a recent letter to our Prime Minister dated 21 February 2012, stated there is a: … growing number of “wind farm refugees” in Australia, who are abandoning their homes … There is also a growing number of sick, vulnerable Australians who are unable to leave their homes near wind—farm— developments, and who are trapped in homes which are making them seriously ill.

It is also possible to continue to support the rollout of wind farms if you are prepared to overlook the damage they do to our economy by driving up the price of electricity and driving families into poverty. Simply put, wind turbines are a hopelessly inefficient way to generate electricity. If it were not for government subsidies, wind power would not even be entertained as a cost-effective way of generating electricity. The punitive economic cost of wind turbines was recently highlighted in a report by Professor Hughes of Edinburgh University. He has
calculated that in the UK the bill for wind energy by 2020 will cost British consumers a staggering £120 billion yet generating the same amount of electricity from gas fired power stations would cost only £13 billion. No doubt a like study in Australia would reveal similar numbers. So by subsidising inefficient wind turbines we reduce our economic prosperity and when we reduce our economic prosperity we cause hardship, pain and suffering to the citizens of our community.

So devotees of wind turbines may be prepared to sacrifice human health and they may be prepared to reduce our economic prosperity and they may be prepared to destroy the environment because they believe they are saving it, all in the name of saving the planet from climate change by reducing carbon dioxide emissions. But recently study after study has shown that once an allowance is made for CO2 emissions involved in the construction of the turbines and the efficient deployment of conventional backup electricity generation, subsidising wind turbines is actually likely to increase CO2 emissions. So if we were seeking to reduce CO2 emissions, it would be more effective to place a ban on the sale of sparkling mineral water than it would be to build wind turbines. In the future this irresponsible use of our limited resources of subsidising wind turbines will become obvious as they are an obsolete and inefficient means of energy production and also as a way to reduce CO2 emissions. Common sense and reason will eventually triumph over ideological dogma. The only question is how much damage the promoters of wind turbines will do and inflict on our environment, our wildlife, our economy and human health. When this finally occurs, we will be left with the broken and rusting carcasses of giant industrial wind turbines desecrating our countryside. Rather than take to these with angle grinders to remove their blight from our landscape, we should seek to save many of these rusting carcasses by listing them with the National Trust to protect them for future generations as monuments to a time when society took leave of its sense of reason.

Mr Husic (Chifley—Government Whip) (19:44): Let me to say to the member for Pearce that when I first saw this motion I had to confess to feeling a degree of surprise. I did not necessarily expect it, but as with most things the member for Pearce does she applies a great deal of thought and consideration to the framing of these motion, and I certainly welcome the chance to speak. But I do not welcome the opportunity of listening to some of the hysterical rants that we heard a few moments ago that suggest that, because wind turbines may affect wildlife, we should stop wind turbines from being built. By that logic the member for Hughes should not be driving down the Hume Highway and going past carcasses of wombats and kangaroos that are equally affected, probably on a daily basis, by the types of accidents that occur. Whenever you endeavour to do something to meet human needs you expect that there will be things that need to be done to minimise the impact. We need to find new ways in which to operate in terms of production and in terms of the energy used in that production. The type of logic that was argued a few moments ago does this chamber no credit, but I understand that the climate change sceptics, who are very forceful within the coalition, use these types of debates to promote a view that would, in effect, have us continue to use resources in the way that we do and continue to have the impact on climate that they do.

In making my comments, I totally respect the fact that local communities should have a good say in what happens in their local area. I understand there are communities, particularly in the member for Hume's patch, that have concerns. I respect that entirely. I sit on the House
of Representatives Standing Committee on Infrastructure and Communication. We have just dealt with a proposal by the member for Denison to change the consultation provisions that exist around the establishment of mobile phone transmitters, not the full towers but low-impact transmitters. The industry, way back, received stacks of complaints. The former government had to respond to that, as did the former Labor government that preceded it, as concern was rife about where these facilities were being put up. It is eminently sensible for communities to have input into what is happening with the placement of certain infrastructure, and I certainly appreciate that. But, at the same time, to ramp up the sort of rhetoric we have heard does not necessarily allow us to get to a point where we can calmly determine the best way of balancing the two things. One is a concern about how to use our resources—which I do not look at as just a Greens issue; I look at it as more of an economic way to use our resources—

Mr Schultz: Spoken like a true urban based member.

Mr Husic: and at the same time ensure that communities have an input into the way things are done.

Mr Schultz: Rural communities, mate.

Mr Husic: I understand that, member for Hume; I appreciate that. I understand that this debate would take a different dimension—and I think you and I would agree on this—if we were setting up wind turbines in an urban environment. That is why I say that I respect the concerns that exist. At the same time, while there is anecdotal evidence about the health effects of wind farms, I think it would be a bit over the top to describe it as significant. Certainly the National Health and Medical Research Council conducted a rather rapid but comprehensive review of scientific literature to determine whether there was a link between wind turbines and adverse health effects, and at the time of writing there was no published scientific evidence to positively link wind turbines with adverse health effects.

In July 2010, again, the council released the public statements entitled 'Wind turbines and health' and 'Wind turbines and health: A rapid review of the evidence' and, following a Senate inquiry and scientific forum, they have conducted further literature reviews to see if there is any more scientific evidence. The results will inform future decisions about any work required. At the same time, I think it is important that we calmly deal with the facts and ensure the community has a say.

Debate adjourned.

World Tuberculosis Day

Debate resumed on motion by Mr Danby:

That this House:

(1) recognises that 24 March is World Tuberculosis Day, in observance of a preventable and treatable disease that still claims the lives of up to 1.5 million people every year, mostly in developing countries, and that:

(a) overall, one third of the world's population is currently infected with the Tuberculosis bacillus;

(b) the World Health Organization (WHO) estimates that the largest number of new Tuberculosis cases in 2008 occurred in the South-East Asia Region, which accounted for 35 per cent of incident cases globally; and
(c) the number of new cases of Tuberculosis arising each year is still increasing in Africa, the Eastern Mediterranean and South-East Asia;
(2) acknowledges that Tuberculosis is responsible for one in four AIDS related deaths, making it the leading killer of people living with HIV and that:
   (a) less than seven per cent of people living with HIV are screened for Tuberculosis;
   (b) people living with both HIV and Tuberculosis infection are much more likely to develop Tuberculosis; and
   (c) the WHO estimates that by scaling up services and providing integrated HIV and Tuberculosis care, it is possible to save the lives of up to one million people living with HIV by 2015;
(3) notes that:
   (a) currently more than two thirds of international financing for Tuberculosis services is provided by the Global Fund to Fight AIDS, Tuberculosis and Malaria;
   (b) the Global Fund is a key international body which provides critical basic services to support many developing countries in the fight against Tuberculosis; and
   (c) Australia strongly supports the Global Fund; and
(4) encourages Australia to continue to work bilaterally and with other international donors to address Tuberculosis, including through the Global Fund.

Mr DANBY (Melbourne Ports) (19:50): As stated in the motion, tuberculosis is a disease that is treatable and preventable yet it still claims 1.5 million lives a year. It is unacceptable, I believe, that in the 21st century so many people suffer from such a preventable disease. It is a disease that destroys generations of people, mostly from developing countries in Africa, South-East Asia and the eastern Mediterranean. Recently a group of people from Burma came to my office and told me about the very deep and terrible effects of the mixture of tuberculosis and HIV. Last year, US Secretary of State, Hillary Clinton, stated that tuberculosis is the 'disease of poverty'. She said:

It keeps people from working, stifles economic opportunity and tears at the fabric of societies. It is a disease that does not distinguish between the young and the old. It destroys families and nations.

In 2009, almost 10 million children were orphaned as a result of parental deaths caused by TB. It is a disease that can be passed on as a result of close contact. Imagine being unable to hug or kiss your children or your loved one for fear of infecting them. Imagine living day to day in the fear that you may infect those around you. Imagine the stigma that comes with being infected with TB/HIV. And imagine being unable to access basic medicine and drugs that could prevent this disease.

In our neighbourhood of the world alone we share half of the global tuberculosis burden. While the majority of TB cases are treated successfully, drug-resistant TB and its co-infection with HIV have created a lethal combination in our area of the world, particularly in developing countries. It preys on weakened immune systems, and, according to Bekele Geleta, Secretary General of the International Federation of Red Cross and Red Crescent Societies, it kills 15 people every hour.

Australia is doing its best in the region to prevent and treat tuberculosis. In Papua New Guinea, we are providing $8 million over four years in support of the health authorities in western province to improve service delivery and treatment to TB patients. As part of this
assistance, we are funding World Vision's 'Stop TB in the Western Province' project, raising awareness, training and facilitating TB treatment. We are assisting in Burma, where AusAID co-funds the Three Diseases Fund, which has supported HIV and TB initiatives since 2007. Over this period Australia's assistance has contributed to the registration for treatment of 60,000 new TB patients. In Indonesia, under this government, we cancelled $75 million of Indonesia's foreign debt in return for Indonesia investing $37.5 million in treatment and prevention of TB.

We have to do much to assure people, particularly in Burma, where this particularly toxic mix of HIV and TB is very prevalent, that the Global Fund will continue to have sufficient resources to provide treatment, which our overseas aid and some of the organisations that are working there, like Medecins Sans Frontieres, are almost the exclusive purveyors of, with the Burmese government not being able to provide the kind of health care we would imagine common in this part of the world. Australia is also assisting developing countries like the Solomon Islands, Cambodia, Nepal and Samoa to improve community health services to strengthen their ability to treat and prevent this disease.

We all enter parliament not only to make a difference to the lives of those in our own nation but also to do our part to improve the lives of others abroad. Australia is doing its part to improve the lives of those within our region who suffer from preventable disease such as TB. On 24 March, on World Tuberculosis Day, we should remember those who seek freedom from want, those who live in abject poverty and economic hardship, and those who suffer from preventable disease, and we should re-double our efforts to improve their quality of life. By seeking to improve the lives of others and working with local communities, we are sending forth hope to those who live with this disease. I can only praise the people from Medecins Sans Frontieres who came to visit my office, particularly their chief activist, a Burmese doctor who movingly told me about the role of the Global Fund, which Australia supports, in providing Medecins Sans Frontieres with the ability to act in Burma against this deadly and toxic mixture of HIV and TB. I commend the motion.

Ms GAMBARO (Brisbane) (19:55): I rise to support this motion by the member for Melbourne Ports. World Tuberculosis Day is on this week, on 24 March. TB is a disease that is preventable, treatable, curable and kills 1.5 million globally every year. That is almost the equivalent of the population of Perth. The reason for that is in part because the most widely used diagnostic tools are antiquated, they are slow and they are not always accurate. The 50-year-old drug regime is only effective with strict adherence to a minimum six-month course of treatment. The currently used vaccines are only partially effective. Tuberculosis is a serious infectious disease and, despite the availability of effective treatment, it remains a major global health problem. TB is also the biggest killer of people living with HIV, accounting for one in four AIDS related deaths. It is a well-controlled and manageable disease in Australia where infection rates have remained stable for more than 20-years, at just over five per 100,000 people.

In its pulmonary form TB is easily spread when an infected person simply laughs, coughs, sneezes or even talks. Two billion people globally—one in three people—carry the TB bacilli but only one in 10 of these people will develop active TB in their lifetime. However TB thrives in the conditions of poverty and overcrowding and when people's immune systems are poor, due to things such as very poor nutrition, diabetes and especially HIV.
Many countries on Australia's doorstep have high burdens of tuberculosis. There are more than 400,000 new cases of TB diagnosed in Indonesia annually and in Timor Leste infection rates are 100 times higher than in Australia. In our nearest neighbour, Papua New Guinea, the problems may be even greater. TB in Papua New Guinea has increased by over 42 per cent over the last 10-years and is still rising. The increase is disproportionately large compared to the growth in population over the same period. While it is commendable that AusAID is spending $8 million in the Western Province, it makes the decision by the Bligh Labor government to close the TB clinics in Saibai and Boigu islands even more baffling. The closure of these clinics has the potential for increasing the risk of TB exposure for Torres Strait Islander citizens from inter-island travel by PNG nationals and increasing the risk of multi drug resistance and developing a lack of adequate frontline clinical appropriate TB care.

World TB Day seeks to eliminate TB around the world and generally elimination means achieving an incidence rate of one case per one million of population or lower. Currently the prevalence rate is estimated to be 430 per 100,000 population and the death rate is estimated to be 60 per 100,000 population. Those figures were for the year 2007. The Asia-Pacific region, our neighbourhood, has over half the global TB burden. That is why we must remain strongly committed to responding to the global challenge posed by TB. The Global Fund has pursued a practical program of activities that has delivered noticeable progress in the fight against the disease in the developing world. In September 2007 the former coalition government pledged $135 million over three years following its previous four-year pledge of a total of $75 million since 2004.

Australia has provided $250 million to the Global Fund and is committed to providing a further $170 million by 2013. This year marks the 10th anniversary of the Global Fund to fight AIDS, TB and malaria, and despite the success of the Global Fund in fighting these diseases, saving 100,000 lives each and every month, the funding is at a critical crossroad which puts the organisation's work in great jeopardy and threatens to reverse progress in HIV treatment and prevention. I support the motion and I congratulate the Global Fund and all of the NGOs. I particularly want to acknowledge the work of RESULTS International in fighting to beat this disease. I also acknowledge all of the other NGOs working with the Global Fund to ensure that we cut the rate of this terrible scourge. I wish to acknowledge the great work they have done so far. (Time expired)

**Mr MARLES** (Corio—Parliamentary Secretary for Pacific Island Affairs and Parliamentary Secretary for Foreign Affairs) (20:00): I rise to speak in support of the motion moved by the member for Melbourne Ports. I thank him for his contribution tonight and I also thank the member for Brisbane for her contribution in speaking about what is a very important issue, the scourge of tuberculosis. To pick up where the member for Brisbane left off, I acknowledge RESULTS International, a fantastic NGO doing fantastic work in this area by advocating on behalf of those suffering from tuberculosis and by also seeking to have greater money available to fight this disease.

World TB Day will be recognised this Saturday, 24 March. It is estimated that about a third of the world's population has been infected with TB at one point or another in their lives. That includes a large number of Australians. Indeed, my mother has been infected with tuberculosis and has grown up with it. She is not quite sure where it occurred but she believes it may have occurred when she was working as a young social worker in Brisbane in the late
1940s. Senator Cory Bernardi speaks very openly and poignantly about his battle with tuberculosis. So it is a disease that has come to this building. It is something that affects a large number of people across the world but very much in our own backyard.

The vast majority of those who suffer from this disease are in the developing world. Only about five to 10 per cent of people who are infected with TB ultimately develop the disease in a full-blown sense. Since the vast majority of those who develop TB live in the developing world, the disease is very much one of poverty. It is estimated that there are 14 million active cases of TB in the world today. It is estimated that 8.8 million people were infected in 2010 and it is thought that up to 1½ million people died in that year alone because of tuberculosis.

In some countries in the developing world it has been estimated that the rates of infection are as high as 80 per cent. But, to give you a sense of the extent to which this is a disease of the developing world, that compares to rates of infection of five to 10 per cent in a place like America.

The disease very much affects young adults, who are at the prime of their active lives. Whilst this has a very human impact, it has a very significant economic impact, taking people out of the workforce and dramatically affecting the productivity of people at the most productive part of their lives. When you add to that that in 2009 some 10 million children around the world, largely in the developing world, were orphaned as a result of tuberculosis, you get to understand the critical impediment to development that tuberculosis represents.

More than half the TB disease burden globally is in our part of the world, in the Asia-Pacific region. So it is very much an issue that affects us here in Australia. Australia contributes to fight AIDS, tuberculosis and malaria through the Global Fund, which deals with each of those three diseases. Since 2004 we have contributed $250 million to the Global Fund. By 2013 we will contribute another $170 million.

The Global Fund has spent about $3.6 billion on its fight against tuberculosis. Since 2002, 8.6 million people have been treated by the Global Fund, but the rate is on the increase: 1.3 million in 2008, 1.4 million in 2009 and 1.7 million in 2010. The good news here is that the rates of tuberculosis are on the decline, such that it is likely that we will meet the millennium development goal of halving the mortality rate associated with tuberculosis by 2015, compared with the rate in 1990. In the Western Province of PNG we have had significant amounts of tuberculosis. This is right on the border of Australia and over a four-year period Australia is committing $8 million to the fight against tuberculosis there, working with the authorities. But there remain very significant challenges ahead. The member for Melbourne Ports mentioned the correlation between those infected by HIV-AIDS and those infected by tuberculosis. This is a real issue, as is the issue of multidrug-resistant TB, which is on the increase. It is estimated that only about 12 per cent of cases of multidrug-resistant TB are notified every year, and that has to improve. This is a critical issue. Much is being done but there remain many more challenges in the future. I very much commend this motion to the House. (Time expired)

Mrs PRENTICE (Ryan) (20:05): World Tuberculosis Day will be recognised this Saturday, 24 March. It is an important initiative which acknowledges that a very preventable, treatable disease still claims the lives of up to 1.5 million people every year. I rise to speak on this motion today and to thank the member for Melbourne Ports for bringing this issue to the attention of the parliament. Tuberculosis has all but been eradicated in developed countries
but, unfortunately, it remains a major global health problem in most developing countries. The Asia-Pacific region, Australia’s local neighbourhood, has over half the global tuberculosis cases. More recently, while five of the six regions experienced a reduction in the incidence of the disease, South-East Asia experienced an increase.

Tuberculosis can have very serious effects on human beings. It mostly attacks adults during their most productive working years, which then has a major detrimental effect on local communities as well as the broader society. Currently, more than one-third of the world’s population is infected with the TB bacillus, five to 10 per cent of whom become sick or infectious at sometime during their life. The case for early prevention and targeted strategies is very strong as infectious TB sufferers on average will infect between 10 and 15 others each year, contributing to the epidemiological nature of this airborne disease. We also know that when a person is infected by TB bacilli the disease is in the dormant stage, which can last for many years. Their chances of ultimately having active symptoms of TB greatly increase when their immune system weakens. This is why the World Health Organisation calls human immunodeficiency virus, HIV, and TB a lethal combination, with each disease speeding up the other’s progress. Combined with HIV, more than 30 per cent of people with the TB bacillus present with symptoms. HIV weakens their immune system significantly, with TB being a leading cause of death in HIV-positive people.

Tragically, the world is now facing a very worrying state of affairs with strains of TB resistant to all of the major anti-TB drugs we currently have in our arsenal. Fifty years ago we did not have a single medication to cure it. Now we are facing the situation where the two most powerful drugs being used are ineffective in cases of multidrug- resistant TB. This poses a serious threat to TB control, particularly in patients who are also infected with HIV. There is an urgent need to invest money and assistance directly to places that need it most. Consequently, through global initiatives, primarily the United Nations Global Fund to Fight AIDS, Tuberculosis and Malaria, the Commonwealth government in the past has been strongly committed to solving this global challenge. It is very important that Australia funds TB control programs and surveillance efforts in neighbouring countries, particularly Papua New Guinea, Indonesia and Burma. In the past, AusAID has provided funds to the Three Diseases Fund, which has now seen testing rates for TB and those who have HIV increase from about 2,000 cases every six months to more than 4,500 cases being tested in the first six months of 2011. Over this period, Australia’s funded activities contributed to registration for treatment of 60,000 new TB patients, successful lifesaving treatment of 18,000 new TB cases and 13,000 community based referrals of TB suspected cases to health facilities.

Australian governments have previously been able to contribute to the important progress occurring in Papua New Guinea, with whom we share a common border. We are providing an initial $8 million from 2011-12 to 2014-15 to improve service delivery and treatment for TB patients in Western Province. We are also helping World Vision stop TB in Western Province, a project which aims to train staff, facilitate treatment and promote community awareness. I regret, however, to inform the House that earlier this year the federal government turned its back on the region, and Papua New Guinea in particular, when the federal Labor government and state Labor government of Queensland decided to cancel the visiting TB clinics in Queensland. There are deaths caused by TB in the Torres Straits, which the government has decided to completely ignore. Eight million dollars of new funding is all well
and good, but if we want to see long-term improvement in Papua New Guinea this government should not cut effective programs at the same time. I call on the government to reinstate this program for Papua New Guinea nationals. One of the millennium development goals is to reduce the prevalence and death rates of TB by 50 per cent in 2015, relative to 1990 levels, and to eliminate TB as a public health problem by 2050. The World Health Organisation believes this can be achieved due to the dedication and very hard work being done through organisations such as the global fund to Fight AIDS, Tuberculosis and Malaria. It is vital, therefore, that Australia continues to contribute to that fund and other programs in our local region. We must continue to support World Tuberculosis Day and similar programs, so that many more millions of people can enjoy a healthy and happy life, and one free from tuberculosis.

Dr LEIGH (Fraser) (20:10): Burmese patient Aung Naing Do described his experience of tuberculosis in the following terms. He said:

I started suffering from this illness in 2006, so it's taken five years for me to get treatment and overcome it. During that time I had to wait a year from being diagnosed with MDR-TB to getting on the treatment programme. And all that time, I was feeling worse and getting weaker by the day.

I was bedridden towards the end of the wait, coughing all the time and with constant shortness of breath. I couldn't even walk from the clinic to the main road without stopping about ten times. I had to stop work in the hairdressing salon—I didn't have the strength even to sweep the floor.

Aung Naing Do said he had a tattoo on his hand, that means 'perseverance' and got it at a Pagoda festival at the age of just 15. He went on to say:

I had tinnitus, joint pain and stiffness of joints, along with abdominal discomfort and loss of appetite. I felt full all the time, even when I hadn't eaten. Even though I did not want to eat, I forced myself to eat. I forced myself because I knew I needed to have nutritious food. I began to have a noisy song in my right ear that just wouldn't go away. It was so loud, and I still have it now. If I close my left ear, I have trouble hearing. I just kept looking at my tattoo to remind myself of what I had to do and what was required of me. I feel like a much stronger person now.

Stories like these are so common around the world. Tuberculosis is a major killer. It is in fact the most common killer of people with HIV. So tackling tuberculosis is critical in its own right, but also in the fight against AIDS.

I was privileged last June to attend the Partnership Forum of the Global Fund to Fight AIDS, Tuberculosis and Malaria, held in Sao Paulo in Brazil. I want to thank Bill Bowtell, an Australian, for getting me involved in that event. There I learned a great deal about the global fund's work to fight TB. The global fund is only about a decade old, but it now contributes two-thirds of TB funding worldwide. It is one of the so called vertical funds, which operate by focusing on particular issues in the development space and working to raise awareness and raise resources. But a major challenge for the global fund is striking the right balance on accountability. It turns out that if you want work in the countries that face the greatest disease scourges in the world, they are almost invariably some of the most corrupt countries in the world. The global fund sets high accountability standards, as it should, but it critical that donor countries recognise that working in a disease-ridden environment often means working in a corruption-ridden environment.

I am pleased that there is a bipartisan consensus in this place to raise Australian aid spending to half a per cent of gross national income. I trust that that will continue. It is too
easy to take cheap pot shots at aid programs operating in corrupt environments, but to do so is to undermine the very people that we seek to help.

I commend to the House a report from Medecins Sans Frontieres which speaks eloquently about the challenges of tuberculosis, particularly in countries like Burma, where there is prevalence more than double the regional average and nearly three times the global average. The report refers to the importance of investing in ensuring that we tackle tuberculosis in Burma and also notes that the cancellation of round 11 of funding to the Global Fund to Fight AIDS, Tuberculosis and Malaria does limit opportunities to expand treatment for HIV and tuberculosis and its drug resistant forms until 2014. My experience with the Global Fund to Fight AIDS, Tuberculosis and Malaria suggests that Australia should continue to increase our contributions to the global fund. We should do so because it is one of the most cost-effective ways of saving lives. Fighting AIDS, tuberculosis and malaria is a top priority for Australia. I commend the work of the global fund and I commend the member for Melbourne Ports for bringing this important motion before the House.

The DEPUTY SPEAKER (Mr Symon): There being no further speakers to this motion at this time, the Federation Chamber will suspend proceedings.

Sitting suspended from 20:16 to 20:19

Mr ENTSCH (Leichhardt—Chief Opposition Whip) (20:19): Mr Deputy Speaker Symon, I apologise if my absence delayed proceedings; I was speaking in the other place and it took me a moment to get across. I would like to associate myself with this debate about tuberculosis. There is no doubt about it; it is a very serious infectious disease, which, despite the availability of effective treatment, remains a major global health problem. Although it is preventable, TB remains a problem through much of the world, mostly in developing countries. In 2010 the World Health Organisation estimated there were over 1.5 million current TB cases and 8.8 million new cases coming forward.

Being parochial as I am, I would like to focus on tuberculosis and the risks that we face here in Australia. The northern boundary of my electorate of Leichhardt is only a couple of kilometres from the mainland of Papua New Guinea, and Western Province in Papua New Guinea is seriously afflicted by this disease. Tuberculosis now consumes 13 per cent of all hospital bed days, second only to obstetric cases, and is the cause of 11 per cent of all deaths in Western Province. Currently, more people in Papua New Guinea contract tuberculosis than become infected with HIV. If the condition remains untreated, a person with infectious tuberculosis of the lungs potentially infects an extra 10 to 15 people every year.

Regrettably there is a disproportionately large incidence of tuberculosis in children in Papua New Guinea; almost 30 per cent of reported tuberculosis cases are within the age group of birth to 14 years. Such high levels of tuberculosis diagnosed in children indicates active transmission of tuberculosis within communities. There is also increasing evidence of a new strain of drug resistant tuberculosis. Only the other day, a social worker at Cairns hospital asked me if I could assist in the repatriation of a young lass, Violet Ausi, who has been at the Cairns Base Hospital now for a number of years while she was treated for drug resistant tuberculosis. Unfortunately her mother had already passed away; she was being cared for by an aunt. She is 12 years of age and been away from her village for almost three years. She has only just managed to get clearance.
A little while before that, it was a gentleman from the Western Province, Aniba Petru. I had to organise a function for him. He had lost three of his children and his wife to the disease. In an effort to save his 13-year-old daughter, he took an 8½ hour dinghy voyage to Saibai Island and was transferred to Cairns. Unfortunately, his daughter died two weeks later of tuberculosis. He ended up in there for four months, being treated for the disease. He had no resources to be able to take his daughter home. She had been kept in a mortuary for 4½ months. Through the very generous support of individuals within my community, I was able to raise money for him to take his daughter home and give her a decent burial.

This is the real human face of the disease, and it is becoming more and more prolific in our area. I think it is critically important. Recently there was a government decision to not continue to fund the tuberculosis clinics in the Torres Strait. I am working very closely with the minister for health at the moment in the hope that we can reinstate and reverse that decision.

Recognition needs to go to people like Dr Graham Simpson, Dr Leslie Everard, Professor Ian Wronski and Julian Waring. These are people at the front line. These are the people out there, trying to sort this problem out, trying to provide the services that are needed. We certainly need a lot more in the way of funding if we are going to take on this challenge. If we do not deal with the problem on our front doorstep, unfortunately, because of the contagious nature of the disease, it will certainly spread further into our community.

Debate adjourned.

**World Plumbing Day**

Debate resumed on the motion by Mr Hunt:

That this House:

(1) recognises the:

(a) importance of World Plumbing Day on 11 March and its aim of highlighting the role that the plumbing industry plays in relation to health, through the provision of safe water and sanitation; and

(b) environmental role of the industry in water conservation and in energy efficiency and the increasing use of renewable sources of energy;

(2) notes that it is estimated that 3.1 million children die each year as a result of water related diseases; and

(3) congratulates the World Plumbing Council on its role in promoting the importance of the plumbing industry both in developed countries and in developing countries where good plumbing could save lives.

**Mr HUNT** (Flinders) (20:25): There is a certain synergy which sees this motion, which covers sanitation and water quality, amongst other things, following the speech of my good friend the member for Leichhardt, the Chief Opposition Whip, in relation to tuberculosis and community health. Community health is based in much part upon having a sound and safe sanitation and water system. In this motion, I want to address four things briefly: firstly, Australian urban water supplies; secondly, Australian rural water supplies; thirdly, international safety and sanitation; and, fourthly, the protection and care of our marine environment and, in particular, marine animals such as turtles and dugongs, which we have seen featured just this evening on the 7.30 program in relation to their slaughter and poaching.
This motion reads:
That this House:
(1) recognises the:
   (a) importance of World Plumbing Day on 11 March and its aim of highlighting the role that the
       plumbing industry plays in relation to health, through the provision of safe water and sanitation; and
   (b) environmental role of the industry in water conservation and in energy efficiency and the
       increasing use of renewable sources of energy;
(2) notes that it is estimated that 3.1 million children die each year as a result of water related diseases;
and
(3) congratulates the World Plumbing Council on its role in promoting the importance of the plumbing
industry both in developed countries and in developing countries where good plumbing could save
lives.

The subject of this motion combines the portfolio for which I have responsibility with the
work of a former member for Hasluck, Stuart Henry, who is now a leader in the World
Plumbing Council. The motion starts with the proposition that safe water and reasonable
drinking supplies are fundamental to the safety of children and adults throughout the world.

We on the coalition side have a four-pillars plan at the urban level to ensure that safe water
is in place. The first pillar is to ensure that there is an adequate supply of water through dams,
and in particular through new dams. We are not afraid of supporting new dams. We have
lived through a period where it was famously said by a previous Victorian premier that dams
do not create water. Actually, they do store water. We have seen the extraordinary volumes
which can be stored in the wet times, and they carry us through to the dry times. We have also
seen the flood mitigation value of dams over recent times. So we do support new dams where
they are environmentally appropriate and they will have a genuine benefit to the community.

The second pillar is to replace potable water where possible, to husband and secure our
potable water resources through a greater use of stormwater for non-potable purposes—for
watering our parks and gardens, for taking care of irrigation needs. Right around Australia,
there is the potential for an extraordinary increase in stormwater capture and recycling
through the underground aquifers.

That leads me to the third of the urban pillars, and that is recycling. Again, this is recycling
for potable replacement rather than for use as potable water. There is an understandable
community concern. We should be recycling water, as we can do in all of our cities. We have
seen significant progress in some but a large failure in my home state of Victoria, in
Melbourne, and in New South Wales, in Sydney. There should be much greater recycling, as
opposed to desalination, which is an incredibly energy-intensive and extraordinarily
expensive way to produce water.

The fourth pillar is water efficiency. There is an enormous amount to be done. We saw in
my home state of Victoria the great strides forward in water efficiency that people made
during the dry times. We should not lightly give away those forms of water efficiency. This
brings me to the second of the great areas where this motion is concerned, and that is the
adequate supply of rural water. I know that we have many people here from different parts.
The member for Mallee, whom I have spent time with in his own patch, is one of the great
water engineers in this parliament. He understands the DNA of the water engineering process.
Our goal, our task and our responsibility is very clear: rather than to have a buyout of rural
Australia it is to have a once-in-a-century replumbing of rural Australia. This replumbing of rural Australia is the great vision. It is the possibility of what we can and should be doing. We set aside $6 billion for replumbing rural Australia prior to the 2007 election. The vast bulk of that money remains in effective escrow in the hands of the government and has not been used. It should be used rather than being held back on ideological grounds. It is far preferable to a buyout of our farms, our farmers and our food security. This once-in-a-century upgrade of our channels and our irrigation systems is a shared project, public and private, which can save literally hundreds of billions of litres which can be shared on a permanent basis between farmers and the environment. Ultimately it helps provide greater food security and water security.

This brings me to the third of our great responsibilities, and that is international assistance. As we know, 3.1 million children die on average each year as a result of water-related diseases. This is the 21st century and we still have these losses. We cannot try to be the problem solver for all of the world, but our great task is to ensure that in our own region—in particular in Cambodia, Laos, Indonesia and Papua New Guinea—we are playing our role to ensure that there is a treatment regime available to kill the waterborne diseases, to kill the pests and to make sure that there is adequate treatment. It is treatment that is critical both for the drinking water and for the sewerage systems, because when they fail that is where we see that we have the great spread of waterborne illness as well as the inability to get safe, clean drinking water and all of the issues that flow from that.

Of course, the great despoiling of our coastlines is linked to the health and heritage of our great natural marine icons. I have myself been very engaged with the issue of the turtle and dugong populations. Only this evening, what we have seen is the disclosure—the second in a series by 7.30—of the slaughter and poaching of dugong and turtle populations in Far North Queensland. This is against the will and wishes of the traditional owners, and I want to note that it is also a result of wilful blindness by certain members of the state government in Queensland. I wrote on three occasions to the Premier—almost 18 months ago, and then on 6 April 2011 and 15 November 2011—warning of this practice of systemic slaughter, of poaching and of carrying the turtle and dugong meat away from Far North Queensland. This was not for traditional purposes, it was not for the allowed uses and it was certainly repeatedly done in ways which have now been revealed on 7.30 to be cruel and inhumane.

Unfortunately, the Premier ignored all three letters and the call for a Crime and Misconduct Commission investigation. The then environment minister, Kate Jones, said that it was a myth that there was slaughter of turtles and dugongs. I want to repeat that: the then environment minister said to the Queensland parliament on 29 October 2009 that it was a myth. Evidence and facts were presented, it was undeniable that this practice was occurring and the then environment minister of Queensland, Kate Jones, said that the slaughter of turtles and dugongs was a myth. This was clearly wrong. It was wilful blindness. It was an unacceptable approach to dealing with the truth. This week, before the election, that minister, now a candidate for re-election in her own seat of Ashgrove, should make a statement on the reasons why she denied the poaching of turtles and dugongs. The former minister should make a statement this week on why she turned a blind eye to the slaughter of turtles and dugongs, against the wishes of traditional elders, and allowed this shocking crime to continue. The Premier should also make clear why she refused to take this strong evidence to the
Queensland Crime and Misconduct Commission. Protecting our marine life is important; even more important is protecting the health and safety of young people around the world. I commend the motion to the House. (Time expired)

Mr KELVIN THOMSON (Wills) (20:35): It is unusual for a member not to be relevant to his own motion, but I would like to support the member for Flinders's acknowledgement of World Plumbing Day and start by highlighting the important work of the Plumbing Industry Climate Action Centre in my own electorate of Wills. The Plumbing Industry Climate Action Centre is a high-profile facility with ongoing promotion both to the general public and industry stakeholders. It is a world-class facility with a high level of water and energy savings and with a commitment to continuing performance improvement. It is a world-class facility in the reduction of greenhouse gas emissions. It is a public building used by diverse stakeholders and it is an educational and research facility.

The establishment of the Plumbing Industry Climate Action Centre has allowed the plumbing sector in Victoria to keep up with the increasing need of the community for sustainability, in addition to furthering the career options and industry retention of apprentices and plumbers. As the Plumbing Industry Climate Action Centre has pointed out, an adequate supply of plumbers to meet the challenges of climate change is as important as making sure that our current workforce has the skills they need. Young people enjoy the positive consumer reactions to the new green plumber image, which is particularly relevant to young people considering their career choices. We also need to retain those who are established plumbers, and the green aspects of plumbing add another dimension to their skill base and expand the role of experienced plumbers.

The Plumbing Industry Climate Action Centre offers a range of courses not available elsewhere in Australia. This is a centre of excellence supported by all, an initiative that has brought together the plumbers union with other key industry employee and employer groups as well as training bodies so that building design meets key sustainability requirements now and into the future. It is a collaborative project which at its core has had stakeholder engagement essential in delivering effective outcomes for the centre now and into the future.

The vocation of plumbing is at the coalface of sustainability. Whether plumbers are dealing with water, sanitation, gas or solar, raising plumbing industry standards and becoming a venue for innovative research and development of sustainable practices are paramount for the industry and for government. In delivering on this vocation the Plumbing Industry Climate Action Centre has committed to the construction of a new climate change academy and industry innovation centre that will focus on delivery of green plumbing pre-apprenticeships for Indigenous, female and other students, followed by apprenticeship training delivering dual qualifications in certificate III plumbing and in Green Plumbers Environmental Solutions.

The vision is the establishment of an academy which would see a large number of Indigenous apprentices trained in vital skills for remote communities and to meet the challenges of the mining boom, building on the success of the Indigenous Community Sanitation Program. In an application for financial support from the Australian government, the Plumbing Industry Climate Action Centre highlighted: 'Whilst the program places great value on the employment and training of Indigenous Australians placed in apprenticeships, the greatest value will be to those communities desperately needing trained generalist plumbers able to maintain proper sanitation and clean water. Australian government funding
to assist in the construction of this facility would have a profound impact on real job creation across all areas of the youth population, particularly in mitigating Indigenous disadvantage by increasing the number of Indigenous apprentices to between 20 and 50 over a four-year period.'

I want to turn now to the broader worldwide issue of water and sanitation. I believe it is important that the Australian government take action to provide assistance to transform the lives of people living in poverty, especially in our region. Taps and toilets save lives and transform communities. Investing in water and sanitation is a proven way of achieving results for poor people.

The joint monitoring program of UNICEF and the World Health Organisation released its latest report on 6 March confirming that the millennium development goal target for drinking water has been reached. Improved drinking water sources are now used by 89 per cent of the global population, and this is one of the first MDGs to be met. However, 780 million people worldwide still do not have access to safe water and over 2.5 billion live without proper sanitation. Huge disparities exist between urban and rural areas, rich and poor, and on-track and off-track regions. The human cost of this lack of basic services is very significant. Diarrhoea is the biggest killer of children in Africa and the second biggest killer globally. Whilst the water MDG target may have been met, the sanitation target looks as though it will be the last to be met. That is not to say that no progress has been made, because 1.8 billion people have gained access to improved sanitation since 1990. Globally, 63 per cent of the population now use improved sanitation facilities. However, unless the pace of change in the sanitation sector can be accelerated, the MDG target will remain unrealised.

Some of the current issues are: (1) in sub-Saharan Africa, 45 per cent of the population use either shared or unimproved facilities, and an estimated 25 per cent have no facilities; (2) in southern Asia, while the proportion of the population using shared or unimproved facilities is lower, one-third of the 2.5 billion people without improved sanitation live in India; (3) in Oceania, in the Pacific, progress is, once again, slow—access to improved sanitation was 55 per cent in 1990 and some 20 years later, in 2010, it is still 55 per cent; (4) in the 50 countries designated by the United Nations as the least developed, much of the population has not benefited from investment in sanitation. In those countries, only 35 per cent of the population uses improved sanitation.

According to WaterAid and the Water and Sanitation Reference Group, access to water and sanitation have far-reaching positive impacts, contributing to all areas of development, and are one of the keys to achieving all of the millennium development goals:

MDG1: eradicating extreme poverty. The economic returns from investing in water and sanitation are strong. For every dollar invested the World Health Organisation estimates an economic return of $8, mainly through time savings and reducing productive days lost to illness. The benefits are pro poor because the losses are borne disproportionately by poor people and women.

MDG2: universal education. More girls stay in school when there is access to water and sanitation in their school and community. Girls miss school because they must spend hours fetching water for their families and, with the onset of puberty, unisex toilets and a lack of proper hygiene facilities deter attendance. In 2000 a UNICEF school sanitation program in

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FEDERATION CHAMBER
Bangladesh was instrumental in increasing the number of girls enrolling in school by 11 per cent.

MDG3: gender equality and women's empowerment. Access to water and sanitation frees women and girls from the burden of water and sanitation poverty. Seventy-two per cent of the population tasked with water-fetching labour are women and girls. In much of rural Africa and South Asia women and girls spend, on average, two hours a day collecting water, often from dirty unprotected sources.

MDG4: reducing child mortality. Access to water and sanitation addresses the causes of diarrhoea, which is, as I said before, the biggest killer of children in Africa. A recent study of the causes of child mortality, as studied in The Lancet found that diarrhoea was killing more people than malaria, measles and AIDS combined. Some 90 per cent of diarrhoeal deaths are caused by inadequate sanitation, unsafe water and poor hygiene. A World Bank review ranked sanitation as one of the most cost-effective health interventions available.

MDG5: maternal health. Similarly, water and sanitation access is a foundation for improved women's health.

MDG6: combating HIV/AIDS, malaria and other diseases. Access to water and sanitation enables people living with HIV/AIDS and their carers to maintain basic hygiene and to keep healthy.

MDG7: ensuring environmental sustainability. Basic services, such as water and sanitation, are key elements of resilience to climate change. The poor are most at risk because they are already the least able to cope with seasonal change and extreme weather. Water and sanitation access improves their resilience and their ability to adapt to climate change. In a few weeks time the Sanitation and Water for All Partnership is holding a high-level meeting in Washington. Ministers from donor and developing countries will be there to generate the political will, commitments and action to tackle this crisis. Last year, Australia participated as an observer. I believe this meeting is a genuine opportunity to tackle the global water and sanitation crisis and I believe that Australia can play, and I hope it will play, a positive role in making that happen.

Mr WYATT (Hasluck) (20:45): I compliment both of my previous parliamentary colleagues on the comments and points that they have made in addressing this motion. I rise to acknowledge the importance of World Plumbing Day. When I announced on my Twitter account that I was going to be speaking about this in the coming weeks I was met with some mixed responses to this news. Most people were positive, which was tremendous, but a few were not. One person in particular criticised the decision to speak on this matter and said it was trivial and a waste of parliament's time.

When you consider that water is a precious commodity, which covers 70 per cent of the earth's surface but only 2.5 per cent is fresh water and only 0.77 per cent is easily available as potable water, a civilised society or one that is developing cannot survive and function effectively without adequate plumbing infrastructure. Plumbing systems allow people to live together in larger communities as fresh water is easily pushed into a community, used and then waste is extracted and removed. Little consideration used to be given to the community downstream. We take this for granted every single day when we turn on the tap, have a shower, clean our house or use sanitation services. In Australia, our children for the most part
are able to grow and enjoy early childhood, go to school and become healthy. That pathway is due to our technological advancement in the areas of sanitation, waste disposal and access to clean drinking water.

This does not happen by accident. It requires a highly trained plumbing sector that works with all levels of government, industry and community to ensure that adequate plumbing facilities are in place. There are many different types of plumbers: highly skilled tradespeople, contractors to install pipes and fixtures, engineers to design the projects to ensure correct water pressure and volume flow and inspectors to make sure it is done correctly. This also requires a level of professional support in skilling and training people. I was interested in comments by my previous colleague, making reference to the initiatives that are being undertaken to ensure that these skills are not lost but are perpetuated in order to provide these opportunities to the Australian community and, much more broadly, outside with the proximity of our near neighbours.

I have been working closely on a range of issues with training providers at schools in my electorate. Plumbing is one of the areas that we have in discussion, along with its opportunities. If we lose this knowledge, or the capacity to deliver quality plumbing infrastructure in this country, productivity and even people's lives could be at risk. It is so serious that, once again, I thank the member for Flinders for bringing on this private member's motion. A significant part of the motion acknowledges the World Plumbing Council and its role in promoting the importance of plumbing in developing countries, where it helps save lives. I believe this is a critical part of the aid programs that Australia provides and it is often forgotten in the discourse about the developing world.

According to the World Health Organisation, 1.1 billion people do not have access to safe water supplies, 2.6 billion do not have access to improved sanitation and 3.1 million children die each year from water-related diseases. So the whole concept of plumbing and potable water that is fresh and provides a safe drinking source is extremely important. Even though plumbing is a trade, I will call it a profession because of the range of skills required for the delivery of water at all points. When I was in Indonesia for the Australia-Indonesia Dialogue, I was informed that 25 per cent of a family's income was geared towards buying bottled water because their source of fresh water was not adequate to enable safe drinking or for their health and wellbeing.

I am pleased to have the opportunity of acknowledging World Plumbers Day. I acknowledge all of those who are associated with that work and with the contribution they make to a healthy society, which we take for granted, and their contribution to the AusAID program and to neighbours immediately to the north of us and, more recently, Africa and other countries where Australia plays a significant role.

Mr NEUMANN (Blair) (20:50): Having lived through the 1974 floods in south-east Queensland and then the 2011 floods, I can, from personal experience and observation, note the importance that the plumbing industry plays in the health of people in south-east Queensland, through the provision of safe water and sanitation, and the benefits of that to the health and safety of people in south-east Queensland—and the consequences to people when they are exposed to floodwater.

Previous speakers have talked about the role of the World Plumbing Council in developing countries, but I want to concentrate on that part of the motion that talks about promoting the
importance of the plumbing industry in developed countries, particularly in my home state of Queensland. World Plumbing Day on 11 March 2011 was established in 2010 by the World Plumbing Council to help promote the role of the plumbing industry in public health and safety, particularly through the provision of clean drinking water and sanitation in both developed and developing countries.

People are vexed during times of flood. I can recall that on numerous occasions during the 2011 flood whole communities were without adequate water or the water was unsafe to drink, and it had to be trucked in in bottled form. I can recall that on numerous occasions I had to carry cartons of bottled water in Fernvale, Lowood and other places in my electorate of Blair where it was just so critical.

In my home state, plumbers are well represented by the Plumbers Union Qld. I want to pay tribute to the Plumbers' Union for its advocacy on behalf of workers and its cooperation in the role of vocational education and training. I want to thank the Plumbers' Union, particularly, for the nearly $33,000 that it contributed to the industry flood relief appeal, which helps people in south-east Queensland particularly. The State Secretary of the Plumbers Union, Bradley O'Carroll, tells me that local plumbers are generally too busy to stop and celebrate World Plumbing Day, although I believe they did hold some events over the state. I know that the union runs terrific courses in areas such as back flow prevention, back flow revalidation, basic rigging, Certificate IV in OH&S, Diploma of Project Management, domestic waste water management, elevated platform work, first aid and other areas. The union plays a big role in the promotion of safety—health and safety, particularly—for those people who work in the industry.

Brad is right; in Queensland, every day is plumbing day, and we saw that during the floods and elsewhere since. But, in Queensland, we live in a state where, sadly, we have a shortage of skilled plumbers. The union's role it is to ensure a secure and productive workforce for the future, and the union takes that particularly seriously. Skilled Queenslanders from all trades and professions are heading to the mines. In any country area we know that. The member for Capricornia would know that, and I know that. I want to commend the plumbers for the work they do. I want to commend them particularly for the work of Joint Industry Services Training, known as JIST, for its work in providing industry-specific training for the fire, mechanical and plumbing industries. This is done through a partnership arrangement between the Plumbers' Union; the National Fire Industry Association, Queensland; the Hydraulic Contractors Group; and the Air Conditioning and Mechanical Contractors Association of Queensland.

JIST operates from an industry owned skills centre and construction centre in Salisbury in Brisbane. I have been there on numerous occasions. It trains both men and women in the area of plumbing. The skills centre infrastructure has been designed to make sure that industry input is realistic, with on-site simulation. Currently, the centre delivers training to over 150 Queensland apprentices in fire prevention, mechanical plumbing, sanitation plumbing and fire alarm technician trades. Presently, it provides interstate training for 30 Western Australian fire protection apprentices. More than just focusing on trade skills, all JIST apprentices attend the MATES in Construction Life Skills Tool Box. This is an accredited course encompassing suicide awareness and prevention, self-esteem, diet, budgeting, anger management and how to deal with a range of work and social issues. JIST also has a comprehensive host trade
program to cater for the changing skills required by the industry. I want to congratulate Bradley O'Carroll and the CEO of JIST, Trevor Torrens, for his management and oversight of this excellent facility. The industry works cooperatively with the union, as it always should, in making sure that we have the best apprentices possible. I congratulate them for the work they do in my home state of Queensland.

Mr FORREST (Mallee) (20:55): The Australian Association of Master Plumbers advise me that there are 525 master plumbers in the federal division of Mallee. So I wish to support this motion on their behalf to celebrate World Plumbing Day last Sunday week, on 11 March. Today I salute them, for they have come from a long line of plumbers who for millennia have delivered safe water to their communities and disposed of waste.

The simplest and most primitive forms of plumbing and water delivery were first used in Egypt, Assyria and Babylon. More complex delivery systems called qanats were later used in Persia, as Babylon became, which is now known as Iran. But it was the Romans who took plumbing to another level. Over some 500 years the Romans built 11 major aqueducts. By 226 AD Rome was being watered by up to 830 kilometres of aqueducts, delivering 227 megalitres of water every day. The Romans also built aqueducts in other parts of their empire, including France, Spain and Northern Africa. The Romans used lead in their pipes, unfortunately, and poisoned themselves in the process. It is interesting to note that the word 'plumbing' comes from the Latin word for 'lead'—'plumbus'. Some say that the regular use of lead in plumbing was a contribution to the downfall of the Roman Empire. That is subjective, but lead is a very toxic heavy metal, has no safe level in the body and affects the nervous system—causing behaviour disorders, seizures, coma and death.

So whilst there have been many mistakes in the past, we have learnt from them. Plumbing by definition is a utility that we use in our buildings, consisting of pipes and fixtures for the distribution of water and gas and for the disposal of sewage. The word 'sewer' comes from the French word 'essouier', which means 'to drain'. Among the early plumbers of note were the Incas, who used stones for drinking water and sewage waste. As a civil engineer myself, I was fascinated to view some of their ancient work during a visit to Machu Picchu many years ago. The Incas of Machu Picchu built numerous water fountains, and these were interconnected by channels and drains excavated in the rock, that were designed for irrigation and direct supply to individual dwellings.

Plumbers on a larger scale are generally known as civil engineers. They were first employed by the Roman military but it was when they were engaged in municipalities that the word 'military' was dropped and they became civil engineers. They produced great engineering feats in those times and, in 2012, we need to use similar engineering to fix the problems and meet the challenges we confront in the Murray-Darling Basin. Security and supply to irrigators and the environment is about dams and storage, and efficient water supply is about fixing the leaks in the channels. In the Murray-Darling Basin we seem to be stepping backwards. The Romans dealt with their water challenges without hesitation and so should we if we are to be a proactive nation. It was Julius Caesar himself who said that the security of the latest new city he created was best assured by securing the water supply. 'Secure the water and you secure the citadel,' he demanded.

We have to look for large-scale engineering solutions to address the needs of the river community as well as the environment. People forget the Murray and Darling rivers are drains
carrying water, silt and nutrients to the sea. If Australia is to prosper, we need to look at plumbing on a large scale, to ensure water security for our river communities and our environment. We should consider more storage to conserve huge volumes of water for the environment and economic prosperity when the Murray-Darling Basin is awash, as it is now in 2012, so the environmental releases can be more natural to the seasons. We have come from drought to flood in 2012. The Murray-Darling Basin Plan has a long way to go before it meets its purpose, but we need the large-scale plumbers of the land to design and build modern water storage in the mode of the Romans. I would like to recognise the contribution that plumbers and engineers have made; I dare say that their contribution to human longevity has been greater than that of the medical profession. Today I salute them and join in the comments from other members in recognising that safe and secure water is the key to good health.

Debate interrupted.

**GRIEVANCE DEBATE**

Debate resumed.

**The DEPUTY SPEAKER (Mr Symon) (21:00):** The question is:

That grievances be noted.

**Gilmore Electorate**

**Mrs GASH (Gilmore) (21:00):** I well remember several elections ago when my Labor opponent was lambasting me about Gilmore's dubious honour of having the highest unemployment rate in the country. Since then we have since improved considerably, but I might say that record was achieved at the same time that the state Labor government was hitting us with tough new environmental rules. The Shoalhaven, particularly, was swamped with new national parks and reserves as well as many other environmental constraints. Especially restrictive was the legislation severely limiting development within one kilometre of coastal strips, including around any waterways that flowed into the coast.

The new environmental regime effectively discouraged many direct and some indirect investment opportunities for our future. While some of Bob Carr's more pragmatic Labor successors have since back-peddled on that philosophy, his damaging legacy remains. New South Wales would not have lost a federal seat to Queensland if it were not for the fact that so much of the population decided to desert New South Wales during the Carr term of government simply to escape a state in obvious economic decline. So there is an element of irony around Gilmore's boundaries being expanded to take in the southern areas of what once was the safest Labor seat in the country, Throsby.

In Gilmore we did not have the luxury of a buffer of extensive industry infrastructure nor the diversity of interest to shift costs in response to any economic downturn. Whilst it may have come as a relief for New South Wales residents to finally see the end of Labor in 2011, they still have to live with Labor incompetence in Canberra. I am indebted to my colleague Malcolm Turnbull who coined the zinger phrase 'Morris Iemma comes to Canberra' to describe Labor's election to federal government. How prophetic a statement was that? Peter Hartcher, of the *Sydney Morning Herald* wrote on 23 May 2008:
This instantly conjures the full horror of the NSW Labor Government in all its rotten, dysfunctional incompetence. And it reminds everyone that that nice man, Kevin Rudd, is actually a part of the same crew that produced the nightmare in NSW.

Have we moved on since then? I doubt it very much. Last year, BlueScope Steel announced massive job cuts in Port Kembla. Just last week, another 56 jobs went from nearby OneSteel. If that is not enough, local manufacturers now face a new crisis, with the Gillard government trying to force through new shipping reforms that could see local jobs slashed because of an increase in shipping costs and delays in gaining access to vessels. The Illawarra Mercury had this to say last week: 'The Illawarra is suffering through its worst manufacturing crisis in recent memory. Fifty-six further jobs are to go, our region is suffering and we are in crisis. There is no other word for it, and anybody says it is not is not living in the real world.'

The article goes on: 'There are many closures happening every day, every second day. There are reductions of staff happening everywhere.' On reading this, I thought, 'Great. The member for Throsby is finally concerned about job losses in his electorate and my adjoining electorate of Gilmore.' But, no, it was the AWU branch secretary, Wayne Phillips, saying the words. It is not often that I agree with a union rep. However, to his credit, as a solution to this ongoing problem, the member for Throsby, a member of the government, said that he had set up a group within the Labor Party to agitate for more action around this particular issue. He talks the talk, but is he going to walk the walk? Job losses do not seem to be a high priority for the government members from the Illawarra, and the member for Throsby has even put time aside so he can pursue his own distractions.

Labor provokes and encourages class warfare, especially through their workplace legislation. They play the politics of envy and resentment. Industrial disputes are on the way up and business is expressing concerns at the way the Fair Work Act is not working. Business is reluctant to hire, retail is in the doldrums, manufacturing is in decline and investment confidence is zero. There is a palpable lack of confidence in the government, as there was in the New South Wales Labor government in its dying days. They just cannot seem to get anything right, so, when the distractions no longer work for Labor, where will they turn? Perhaps they can toy with the idea of censorship, strangling free expression and free comment. The Minister for Broadband, Communications and the Digital Economy toyed with the idea of censorship for the internet, but what was the real agenda? Perhaps censorship is the real purpose of the Finkelstein inquiry. As the Australian commented:

The Finkelstein report is worrying because its recommendations could stifle the media. People are worried about where this government has put us and worried about where it is taking us. The polls are showing it, depressed retail spending reflects it and the media is replete with reports warning Labor not to rely on the mining profits for its salvation. The silken reassurance of ministers that 'She'll be right' ring hollow. One cannot help but feel that with Bob Carr now in federal politics it is deja vu for New South Wales residents. Gilmore does not have the economic resilience to weather an economic downturn that events across the globe are indicating is a real possibility. Neither is the government in a position to splash money around like it did in 2008 and beyond.

I have serious doubts that the mining industry will be our economic saviour, because worrying reports are emerging that potential investors may start looking in other places because it is too expensive to do business in Australia. Our local manufacturers are just
hanging on against the high Australian dollar and soon-to-come burden of the carbon tax. It has been reported that China's steel output will be halved over the next three years, which signals an overall slow in demand in their economy. It is not a good forecast for our economy, so closely linked as it is to that of China. Already the price the government have put on carbon is almost double world standards, yet the government remain blood-minded towards accepting world parity. Hanging onto a price that is over double that of the global market makes us uncompetitive. We need opportunity, not more taxes and certainly not more regulation.

The government also said they were going to look after regional Australia. Last year, we tried to impress on the Minister for Regional Australia, Regional Development and Local Government the importance of fast-tracking the extension of Main Road 92 and the upgrade of the Princes Highway. Both are vital infrastructure projects whose importance grows with the speed of the population, which in the Shoalhaven has been at a rate of about 2,000 persons each year over the last five years. So what did Gilmore get in regional funding from the government? Zero. After looking at the distribution of the first round of regional funding, $140.5 million had gone to Labor electorates and Labor-supporting Independent electorates; $58.1 million went to coalition electorates or Western Australian National electorates. Over 73 per cent of the funding had been directed to shore up Labor. Yet the Shoalhaven's growth rate is way ahead of the growth of necessary local infrastructure, which is simply not keeping pace. There is a single crossing at the Shoalhaven River for road vehicles, as we do not have a railway line south of Bomaderry to the Victorian border. Another will soon be needed to cope with the growing traffic volumes.

As proof of the government's sincerity in this year's budget, I would like to see some serious funding commitments to help the people of Gilmore—budget commitments like funding for local transport infrastructure, including the Princes Highway, and funding for mental health. We want to see the marina project at Shell Cove get a $10 million kick-start and funding for a national disability trust. We need more skills and trade schools for those not going on to tertiary education, as was promised. And where is our GP superclinic that was promised two Christmases ago? We want to see the funding support for a scoping study into the development of Huskisson and Ulladulla boat harbours and, of course, money to help finish the Dunn and Lewis Bali memorial facility. These are all vital projects for the job creation program in a region that has a 10 per cent unemployment level.

Somebody recently said that, as a government, Labor seems to make a good opposition. It was the respected Dick Warburton who said: 'Labor’s obsession with redistributing national income, rather than protecting jobs and growing wealth, is coming back to bite us all in the form of job insecurity and unsustainable pressure on many previously strong industries.'

Gilmore just wants a real chance at opportunity, not the obstruction and frustration of failed policies of successive Labor governments. We need infrastructure projects that deliver real growth opportunities—projects which do not fail or go bankrupt, taking many of our local subcontractors with them; projects which will pay the mortgage and grocery bills for all the residents of Gilmore and reduce the threat of relying on welfare benefits.

**Kirkpatrick, Private John Simpson**

Ms HALL (Shortland—Government Whip) (21:09): I rise tonight to further the campaign that I commenced in 2000 for Private John Simpson to be awarded the Victoria Cross. This
campaign was initiated by a constituent who came into my office, in late 1999, and approached me, angry because John Simpson had never been recognised in the manner that his commanding officers intended him to be recognised. John Simpson was born John Simpson Kirkpatrick. He grew up in South Shields in England. He came to Australia aboard a boat and jumped ship at Newcastle. From there he did a number of odd jobs around Australia and, as soon as war was declared and Australia was involved, he enlisted and was the second person to land at Gallipoli. The first person was killed and the third person was not, and John Simpson survived, so that is a little bit of trivia along the way.

The contribution that he made was enormous. Each and every day he put his life on the line. Day after day he and each of his donkeys picked up wounded soldiers, those that could not walk, and carried them to safety on the donkeys' backs. Simpson and his donkey would make their way up Shrapnel Gully, the main supply route to the front line in Monash Valley, and go on to the deadly zone around Quinn's Post, where the opposing trenches were just 15 yards apart. To the left of Quinn's Post was Dead Man's Ridge, held by the Turks, and from here they were able to snipe right down into Shrapnel Gully. John Simpson would start his day as early as 6.30 am and often continue until 3 am. He made the 1½-mile trip, through sniper fire and shrapnel, 12 to 15 times a day, never thinking of his own safety and all the time being there for his mates.

John Simpson was warned by his officers that what he was doing was extremely dangerous and that he was putting his life at risk. But he took no notice of that because to him the most important thing that he could do was to be there for his mates and to help those of his fellow soldiers that were injured. People would hear him with those injured soldiers making a friendly remark such as 'You'll be all right, dear. I'd wish they'd let me take you down to the beach on my donkey.' That was to those who were not well enough to be carried. All the time he was putting their safety above his.

On his last day, 19 May 1915, at 3 am the Turks mounted a major counteroffensive and 45,000 troops attacked all along the front line with orders to drive the enemy into the sea. By 11 am 8,000 Turks lay dead and wounded in No Man's Land and the attack was called off. It was during the final fling of the attack that John Simpson made his way up the gully towards Courtney's Post, where the fighting had been the most furious. It was his habit to stop at the water guard and have breakfast. On this day breakfast was not ready and he said, 'Never mind, I'll get some when it's dinner time,' and he picked up a wounded man, placed him on the donkey, Duffy, and made his way towards the beach. On the way he paused and chatted briefly with other soldiers. As he reached the very spot where General Bridges had been hit four days before, a signalman, Signalman Benson, said, 'Watch out for the machine-gunner. He's got a couple of blokes this morning.' John Simpson waved back, acknowledged, grinned and continued on his way. Unfortunately, he was shot. He was shot through the back with it passing right through and he fell to the ground grasping his beloved donkey's neck. Padre CJ Bush-King helped lift the wounded man from the donkey and recalled, 'I turned the donk around. I slapped its rump. It slowly moved off from whence it came …' They recovered Simpson's body and put it in a dugout beside the track and carried on with their jobs. They went back for him at 6 pm and buried him at Hell Spit on the same evening. Private Johnson made a simple cross—'John Simpson'—and the chaplain, Colonel George Green, officiated at
the burial service. Simpson's grave is now commemorated by a simple cross, and anyone who has been to Gallipoli will see the plaque that has been placed there in his honour.

Simpson was recommended for honours in 1915. He was mentioned in dispatches and Lieutenant Colonel Sutton wrote in his diary:

May 19—Attended funeral of poor Simpson.

May 24—I sent in a report about No. 202 Pte. Simpson J., of C Section, shot on duty May 19th. He was a splendid fellow and went up the gullies day and night bringing down the wounded on donkeys. I hope he will be awarded the D.C.M.

June 1st—I think we will get a V.C. for poor Simpson.

June 4th—I have been writing up poor Simpson's case with a view to getting some honour for him. It is difficult to get evidence of any one act to justify the V.C. the fact is he did so many."

Maybe the issue was that there was no one act. There were just so many acts of bravery. He did so much. He put his life on the line daily after day, and if ever there was a man who should be awarded a posthumous Victoria Cross it is John Simpson.

In 1965 he was recognised on a postage stamp, and in 1995 there was a commemorative coin. No campaign medal was struck for the Gallipoli campaign, so Simpson was not given anything there. His donkey was given an award—the Purple Cross—but Simpson never received anything. His image is on the Australian hundred dollar note. Today, we heard of the awarding of the 2012 Simpson Prizes. The previous education minister, Brendan Nelson, used John Simpson when he introduced his values campaign throughout the schools. He is the epitome of everything that is good about the Australian soldier. He epitomises the larrikin nature of the Australian soldier. He was learnt about by every school child; I learnt about him in primary school. He is somebody who is respected, and all students in every school know about his bravery.

There was something in the vicinity of 10,000 signatures on petitions that I put to this parliament. I do not think there has ever been a person that has refused to sign a petition. Last week I appeared before the Defence Honours and Awards Appeal Tribunal, and I argued the case for Simpson to be awarded the Victoria Cross retrospectively. Today we heard of the news about David Nolan, who 50 years ago acted very bravely and was given a retrospective bravery award. I call on all my fellow members to get behind this campaign to support John Simpson being awarded the Victoria Cross. He really does epitomise what our Australian spirit is all about and what the Australian soldier is all about, and he holds the values that each and every one of us in this parliament hold.

Economy

Mr BUCHHOLZ (Wright) (21:19): Well done, and I wish the previous speaker very well in her future endeavours for what sounds like a very worthy cause, as is my delivery here tonight. I feel it is my duty to bring attention to Labor's poor performance in managing the economy, of which you would be very well aware, Madam Deputy Speaker.

The DEPUTY SPEAKER (Ms AE Burke): Don't take a liberty with me being in the chair! The member for Wright has the call.

Mr BUCHHOLZ: And when it comes to managing the economy the Australian public have got the raw prawn on a number of things. When it comes to the business sector, I think
at the moment we are struggling with record low confidence levels out there at the moment. Why would the business confidence be low at the moment?

Mr Champion: What have you done?

Mr BUCHHOLZ: Why, Member for Wakefield, would you ask that question? I am not making this stuff up. Just go to the Consumer Confidence Index, a document that has been keeping a record of confidence levels since before the Great Depression. I can assure you that we are an all-time record low since that index has been kept. But do not take my word for it, go and look it up for yourself. We only need to look at the words of the Treasurer, when things he says just do not get followed through or things that he says are a misrepresentation.

Take, for example, on 12 August on 7:30 when the Treasury was asked about the carbon tax and this was his response: 'We have made our position very clear. We have ruled it out.' There is no other way that you can interpret that. On 15 August on Meet the Press a Channel 10 journalist asked the Treasurer: 'Can you tell us exactly when will Labor put a price on carbon?' Wayne Swan's response was: 'Well, certainly we reject this hysterical allegation that somehow we are moving towards a carbon tax, we reject that.'

Let us take a look at another comedy of errors the Treasurer has participated in. Labor has not delivered on jobs. The Treasurer promised that this budget was all about jobs:

Well, it is jobs, jobs and jobs. It's a bigger and better trained workforce.

That was what Wayne Swan said at the press conference in the budget lock-up on 10 May. He went on to say it was in fact half a million new jobs:

We will see the creation of an additional 500,000 jobs in the next couple of years.

That was in Wayne Swan's interview with Hugh Riminton on Meet the Press on the Ten Network in May 2011.

The DEPUTY SPEAKER: The member will refer to the individuals by their appropriate titles.

Mr BUCHHOLZ: Thank you, Madam Deputy Speaker. In an interview with Fran Kelly on 30 January 2012, so just recently, the Treasurer admitted that this was yet another broken promise. Fran Kelly made the comment:

In terms of positives though, the government positively forecast a half a million new jobs over the next two years would be created. Given the zero jobs growth last year, are you still confident that that figures holds? That (it) can be achieved?

The Treasurer's comment was, 'Well, certainly we will do less than that.' That interview with Fran Kelly on ABC Radio National was on 30 January 2012. Here is a fact: from October 2011 until December 2011, some 37,000 jobs were lost in the Australian economy, leaving the number of people employed in December 2011 at slightly less than the year before. So when you hear the Treasurer go out and make these comments that Labor have created all of these jobs, go and have a quick look—

Mr Champion interjecting—

Mr BUCHHOLZ: Member for Wakefield, go and have a quick look at the jobs growth for last year. Do you know what a jobs growth rate looks like? It looks like it is zero at the moment. So when they crack on about jobs, jobs, jobs—
The DEPUTY SPEAKER: The member needs to be very careful about unparliamentary language as well. If people are listening on the radio and I let that go through to the keeper, you need to be mindful of who is listening. We are in parliament. The member for Wright has the call.

Mr BUCHHOLZ: Absolutely. We are in parliament and I think these comments need to be made.

The DEPUTY SPEAKER: With the appropriate language, that is all I am saying.

Mr BUCHHOLZ: Sure. There was zero jobs growth last year. So when the Treasurer comes out and speaks about these jobs that are being created, when there is zero jobs growth then the same amount of jobs have been lost at the other end. It is a very simple formula to adopt. There were no jobs created in 2011. Since the beginning of January 2012, over 5,000 job losses have been announced, and many are at some of Australia's biggest employers, such as ANZ and Macquarie Bank. So I encourage people from the other side, from the government, when they get their lines delivered to them by ministers and they are saying that these jobs, jobs, jobs are there, to open up the front pages of the Australian or the Financial Review. Do not just take the coalition's word for it. Go and read about the thousands of jobs that are being lost while Labor is in government. When Labor claims interest rates have been lower under their watch, this is also not correct. On average, effective interest rates paid by some homebuyers and small businesses were lower under the coalition from 1996 to 2007 than they have been under Labor since the 2007 election. When I use these figures I am talking about the variable rate, the standard mortgage rate. Labor uses the indicative term of cash rate. The unfortunate thing about that is that no-one can borrow money at the cash rate. I cannot go in and borrow money for my new house or for a new car or for a new truck at the cash rate. So we use the variable rate. Under the coalition, the average standard variable mortgage rate was 24 basis points lower than under Labor. Under the coalition, from March 1996 to November 2007 the standard variable mortgage rate was 7.26 per cent. Under Labor, from 2007 to January 2012 it was 7.51 per cent. For the Treasurer, under a typical $300,000 mortgage the difference would represent savings of $720 a year or $60 a month. Under the coalition the small business unsecured overdraft rate was 134 base points lower than Labor. So when we look at the average small business unsecured overdraft rate, under the coalition from March 1996 to November 2007 the unsecured overdraft rate was 8.89 per cent. With Labor in office from December 2007 to January 2012 it was 10.23 per cent. So for a typical small business unsecured overdraft loan of $200,000 the difference would represent a savings of $2,680 a year. That is $223 a month. The spread between the RBA cash rate and the mortgage home borrowings rate was significantly lower under the coalition. In November 2007 the spread between the RBA cash rate and the average standard variable mortgage rate was 180 base points but in January 2012 under a Labor government the spread was 305 points. In November 2007 the spread between the RBA cash rate and the average small business unsecured overdraft rate was 355 base points but in January 2012 the spread was over 600 base points.

Looking at the size of government, the government has chosen to use revenue to GDP as its yardstick for the size of government. But the more appropriate benchmark is the ratio of spending to GDP, because it is primarily the result of government policy. The coalition left spending at just 23.1 per cent of GDP. Under Labor, the ratio of spending to GDP blew out to
26 per cent. Spending under Labor will remain well above the coalition's benchmarks right through the forward estimates. I have the statistics here.

In the time that is available I would like to cover—well, I cannot because there are just too many. I have 19 new taxes that I want to speak to. I am not going to get enough time to talk about those. But I can talk about the deficit; I can basically bring that back to four record deficits. We can talk about the debt to GDP ratio—7.7 per cent. The government always makes the point that it is not a lot of money. Well, guess what. Debt is relative to your capacity to service the debt. So when you are running four structural deficits, and the only way you can service a debt is through surpluses, the chance of this government being able to service a 7.7 per cent GDP debt ratio is highly unlikely, especially when you look at the forecast for the net interest payments. The government is always keen to compare our net debt with other developed countries like Japan, USA, UK and Europe. These countries are all in economic difficulty. It is more appropriate to compare Australia with the fastest runners in the field, not the slowest. There are a number of developed and commodity exporting countries with balance sheets in the black, such as Chile, Sweden, Saudi Arabia, Finland and Norway. Their figures are far more impressive than ours.

The productivity returns of the country at the moment are ordinary. With reference to Australia's credit rating, Australia's credit ratings are done by a comparative rating. Why is it that this government boasts about having a triple-A credit rating when there is debt we cannot service and no money in the bank? We had those factors when the coalition was in government. I look forward to the opportunity to speak again. (Time expired)

Population Growth

Mr KELVIN THOMSON (Wills) (21:29): I want to draw to the attention of the parliament what I believe is a really important piece of economic analysis by the University of Queensland academic Jane O'Sullivan titled 'The burden of durable asset acquisition in growing populations'. I know it sounds dull, but for anyone who seriously wants to understand the challenges facing governments in Australia today and understand why governments of all persuasions struggle to meet people's needs and expectations it is a must-read.

The problems and disadvantages of population growth have been overlooked by contemporary economic analysis. Instead of talking about population size, we should examine the economic impacts of population growth and population growth rate. The ability of a society to meet its population's needs depends on its stock of durable assets, infrastructure, plant and equipment and skilled workers. A certain proportion of total economic capacity must be used for asset acquisition to maintain services to the community. A society only acquires a fraction of its total stock of durable assets in any given year. The longer a class of assets lasts, the smaller the proportion that is replaced annually. Different items of infrastructure have differing life spans, but a cost-weighted average is likely to be at least 50 years. That would mean a society with a stable population needs to replace two per cent of all infrastructure annually. But if a population is growing at one per cent per annum, for example, the society needs to expand its entire stock of infrastructure by one per cent per annum; otherwise we build up an infrastructure deficit. This increases the burden of infrastructure creation by 50 per cent compared with a stable population: the two per cent replacement plus the one per cent for population growth.
The same principle applies to the skilled workforce and to human capital formation. Training is an upfront cost incurred before working life begins. Australian graduates have an average working life of 37 years. In a stable population with even age cohorts, annual retirements would be 100 divided by 37—that is, 2.7 per cent per year. Therefore, the annual training requirement of a stable population with even age cohorts would be to graduate 2.7 per cent of the workforce. But if population is increasing by one per cent annually then graduations need to be 2.7 per cent plus one per cent—that is, 3.7 per cent, which is 37 per cent greater than the stable population training requirement. Skilled workers in this matter are no different from hospitals, power stations, transport infrastructure et cetera.

While some factors can reduce the increase in the asset acquisition burden, others can increase it. For example, if the capacity of an existing installation cannot be easily expanded on site, it might have to be relocated to or rebuilt at another site. If the average effect were to reduce life span of infrastructure from 50 years to 40 years, this would add around 25 per cent to the annual acquisition burden. In addition, diseconomies of scale and costs associated with retrofitting upgraded utilities in already built-up areas increase the costs of growth. For example, moving from locally dammed, largely gravity-fed water supply to regionally pumped, desalinated or recycled water greatly increases the unit cost. So does moving from simple road and rail structures to major freeways and underground subways.

An increase in population tends to increase economic activity and tax revenue in proportion to population increase—that is, a one per cent increase in population is likely to increase GDP and tax revenue by approximately one per cent. Studies show that the effect of population growth on per capita GDP is small to zero. Yet the previous discussion shows that the cost of acquiring durable assets simply to maintain service levels increases at a much greater rate. One per cent more GDP or tax cannot pay for 25 to 50 per cent more public infrastructure, 50 to 100 per cent more housing construction, 20 to 37 per cent more training places et cetera. So economic activity gets diverted to the task of capacity expansion and consequently is withdrawn from other provision of goods and services. It is like walking on a treadmill: you are going faster but not getting anywhere.

It is estimated that the cost of keeping up with the infrastructure needs of Australia's population growth rate of 1.4 per cent is around 10 per cent of GDP. Why is such a big burden not noticed and commented on more? Probably the biggest reason is the misconception that all spending on durable assets is investment. In fact, the spending on infrastructure, equipment and training needed to maintain the same level of services for a growing population is capacity expansion. Capacity expansion is not investment in the sense of current sacrifices for future gain. There is no gain when people who get electricity when they flick on a switch or water when they turn on a tap continue to do so. If people continue to receive prompt and high-quality medical care or if average commuting times and school class sizes remain the same, that is not a gain. Capacity expansion in a growing population is not an investment; it is a recurrent cost. It should not be shown in the accounts as an investment or funded by borrowings. It is a bad idea to take out a loan to buy this week's groceries. It is also a bad idea not to distinguish between asset acquisitions which are adding to per capita utility—getting ahead—and those which are merely maintaining per capita utility, treading water.
Giving it the label 'investment' is the key reason why the costs of population growth have been rendered invisible. But there are others. Firstly, there is GDPism: focusing on growth at the expense of goals. If it is better to avoid an expense than to respond to it then avoiding it is a better outcome. Bushfires and tsunamis boost GDP, as the rebuilding activity is measured as economic activity, but this activity diverts capacity from activity which would improve people's lives. Population growth creates a need for activity to retain or regain a previously existing quality of life in exactly the same way as do natural disasters. Secondly, there is ignoring factors such as increasing personal debt levels, decreasing national savings and increasing dependence on foreign capital, with accompanying foreign debt repayments and repatriation of profits to foreign investors. Thirdly, costs are disbursed across many sectors and all levels of government—for example, school buildings in the education budget, hospitals in the health budget and prisons elsewhere. Telecommunications are federally funded; railways are state funded; rubbish tips are council funded; and electricity facilities and toll roads, once publicly funded, are now privately funded, but the money still comes from residents' pockets. Nowhere is there a comprehensive accounting of capacity expansion. Population stabilisation would greatly diminish the burden of capacity expansion, increasing the proportion of total economic activity available to serve current people—less treading water and more getting ahead.

The past decade has seen a dramatic increase in the cost of living, together with a rapid expansion of both public and private debt. Utility and rates charges have approximately doubled and are anticipated to rise steeply in coming years to address capacity shortfalls. Congestion of roads, public transport, ports and hospitals has become a dominant issue in public discourse, testifying to capacity shortfalls. Public perception of gross neglect of infrastructure provision was instrumental in the defeat of the New South Wales government in 2011. If population surges, infrastructure and skills deficits quickly erode productivity and services, and costs escalate. Conversely, slowing population growth rates allows capacity for capital formation to get ahead, improving service access and quality. There can be snowball effects on productivity and poverty alleviation. This is largely the story behind East Asia's economic rise. With the exception of a few oil-rich countries, no country has lifted itself out of poverty without first reducing its fertility rate.

Nations which chose to prioritise population stabilisation have shown that rapid fertility reduction can be achieved without coercive or punitive measures and that has been followed by economic progress. This progress is partly explained by the lifting of the burden of durable asset acquisition. The negative impact of population growth in least developed countries is obvious to seasoned observers. They describe the burden of expanding capacity of schools and health services as 'running hard to stand still'. Economists have not really explained this or had much to say about it over the years. They have focused on measuring economic activity and have neglected the difference in cost structure imposed by population growth. Understanding the cost burden of durable asset acquisition in a growing population enables us to better understand what is going on in both developing countries and developed ones, such as Australia, and causes us to rethink whether population growth is a good idea for the economy, let alone the society.
Mr CHRISTENSEN (Dawson) (21:39): You would think the importance of the Bruce Highway to North Queenslanders could not be underestimated. It is vital for supplies coming in, for goods going out and for getting from point A to point B. In many cases it is a link between where people live and where they work. It is a link between businesses and their customers. But the importance of the Bruce Highway has been underestimated by the Bligh Labor government. The state government cannot point the finger at past federal governments, because Labor has been in power in Queensland for 20 of the past 22 years. After that 20 years they not only have failed to come up with a plan to fix the Bruce Highway but are only just starting to realise what it is that needs fixing.

I would like to dwell on one particular problem area on the Bruce Highway, the Goorganga Plains. Three weeks ago, flights in and out of Whitsundays were cancelled, not because of any issue with the airline but because the Bruce Highway at the Goorganga Plains, between the airport and the world-class tourism destination of the Whitsundays, was impassable due to flooding. Flooding closes the highway at the Goorganga Plains on a regular basis and the highway can be closed for days. That poses a serious risk for businesses relying on tourists being able to come into the region, particularly when tourism is at such a slump right now.

But it is not just tourism business that is at risk because of the flooding. Lives are also at risk. On an early January morning last year, Scott Boldiston was swept off the highway at the Goorganga Plains while he was travelling to work. When he realised he had hit the water, he wound down his ute window before the power cut out so he could climb out of it. He luckily climbed a nearby tree above the raging currents of the flood waters, where he waited until he could flag someone down for help. His partner, Bridget Middleton, and their three children were terrified that Scott could have died that night. Bridget is now spearheading a petition which she intends to provide to me so we can get some action on the Goorganga Plains.

But why has it come to this? Why hasn't the Bligh Labor government not done anything about this problem? So unaware and so incompetent was the Bligh Labor government that only five years ago they did not even know what the Goorganga Plains were and they certainly did not know that it had flooded there. In the Queensland government's 2007 report Brisbane-Cairns corridor strategy, this is what it has to say about the Bruce Highway, which runs from Brisbane to Cairns:

Reliability on the corridor is also affected at times of major flooding:

- the Bruce Highway can be cut along major floodplains at the Mary, Fitzroy (Yeppen), Burdekin, Herbert, Tully and at other points between Townsville and Cairns, North Johnstone and Mulgrave Rivers.

No mention of the Goorganga Plains there. Maybe it is not considered to be major flooding, so let us read on. It says in the report:

Minor flooding occurs where the Bruce Highway crosses the Beerburrum Creek, Isis River, Six Mile and Eight Mile Creeks, Sandy Gully Creek, Yellow Gin Creek and Pound Creek.

Still no mention. Five years ago, the Department of Transport and Main Roads did not know anything about flooding on the Bruce Highway at the Goorganga Plains, or so we are led to
believe by the report. Maybe the team preparing the report could not get in to look at the highway because their flight was cancelled. More likely, they did not go and have a look. Apparently, they did not even bother to ask anyone who lived in the region either. Apparently, Queensland Labor's tourism minister, Jan Jarratt, in whose electorate this problem lies, did not think it was important enough to mention to the state government back then. But late last year, just a few months out from a state election, something changed. In December last year, the Bligh Labor government released its new Bruce Highway report, *Bruce Highway upgrade strategy*, which states:

Flooding at Goorganga Creek floodplain generally closes highway for up to 50 hours on a regular basis. Well, frabjous day— a revelation! So, now that they have discovered where the problem is and how much of a problem it actually is, what are they going to do? The answer is: nothing will be done right now. The upgrade strategy has the Goorganga Plains flooding problem listed as something to be addressed in a decade's time.

Queensland Labor's main road minister, Craig Wallace, reckons that he has a clear vision for the Bruce Highway that includes upgrading bridges and approaches at Goorganga Plains, which he says have been identified as priorities in our plan. Well, a clear vision, a priority or a plan needs to have a dollar figure to be realised, and the reality is that the Goorganga Plains is not costed. The Department of Transport and Main Roads do not know what the cost of flood-proofing this section of the Bruce Highway will be, because the Bligh Labor government and Craig Wallace have not allocated the appropriate resources to the department to do the predesign planning work. It is not a clear vision; it is not a priority; it is not a plan. It is the bucket list, and the Goorganga Plains is at the bottom of the bucket. It will be 18 months before the predesign and planning work will be complete. The actual construction will take another 18 months to two years. That is another three wet seasons that motorists and tourist have to contend with. So every tourism dollar lost between now and then will be thanks to the current Labor member and tourism minister Jan Jarratt. But more so any life lost at the Goorganga Plains, God forbid, will be on the heads of Jan Jarratt and Craig Wallace for their inaction and indifference.

Sadly, that is not where poor representation ends for the Whitsundays, because along with rate hikes and poor infrastructure delivery there is a question of ethics that hangs over the Whitsundays mayoralty when it comes to Mr Brunker, the mayor. This was noted by the CMC, who, after investigating Mr Brunker's credit card, said there were 'issues of noncompliance with council policy concerning corporate credit card use'. Through various sources I have obtained a copy of Mr Brunker's council issued credit card accounts showing this noncompliance. Well, he is certainly no member for Dobell. Mr Brunker used and abused the ratepayer-funded—

**The DEPUTY SPEAKER (Ms AE Burke):** The member for Dawson will withdraw—

**Mr CHRISTENSEN:** I will withdraw.

**The DEPUTY SPEAKER:** And the member for Dawson has been making some fairly outrageous statements and he can get back to talking about his roads.

**Mr CHRISTENSEN:** I will withdraw, but Mr Brunker used and abused the ratepayer-funded credit card as if it were his own. Items of expenditure can be seen indicating that Mr Brunker thought a nightly meal was part of the council package. Numerous expenses of up to
$150 were made at the Horseshoe Bay Cafe, up to $82 at the Central Hotel, up to $173 at the Queens Beach hotel, up to $76 at the Denison Hotel and one $25 charge at Bowen Eagle Boys. Bowen ratepayers would not be too pleased to know their rate dollars went toward the mayor's lunch and wine with anchovies.

It gets worse when you look at Mr Brunker's wheeling and dealing with local developers. Here are some facts. Fact 1: Mr Brunker received assistance during the 2008 local government elections from a local property developer in the Whitsundays. That developer organised a function for Mr Brunker. Fact 2: Mr Brunker has assisted the developer and his companies in getting their developments through council. In a newsletter to shareholders, the developer says he can use Mr Brunker as a strike weapon to get council to prepare a package of conditions that include a full master plan. Fact 3: at Mr Brunker's pushing, the council purchased a block of land owned by the developer to turn it into a sports park. According to two other councillors who spoke to me, Mr Brunker was instrumental in facilitating meetings regarding the purchase of this block of land. Fact 4: the block of land cost the developer $1.442 million in May 2009. Fact 5: this decision was against the wishes of the local sporting community and also against recommendations by the Department of Transport and Main Roads and an independent consultant contracted by council to look into community sporting facilities. Fact 6: the block of land was purchased by Mr Brunker's council for $2.42 million in mid 2010.

So the facts of the matter are that a developer helped Mr Brunker to get elected to be mayor. Mr Brunker then facilitated the purchase of a block of land owned by the developer for $1 million more than it was actually worth, against the wishes of the community, against the recommendations of Main Roads and against the recommendations of council's own consultant looking into this matter. This is just the tip of the iceberg when it comes to complaints that have come to me surrounding Mr Brunker's ethics. The upcoming local government elections give the people of the Whitsundays, Proserpine, Bowen and Collinsville a chance to resolve the question of ethics with the mayoralty once and for all, and the answer must be that Mr Brunker has to go.

**Human Rights: Vietnam**

Mr HAYES (Fowler) (21:48): I have on various occasions spoken out against human rights abuses in Vietnam. I have made no secret of my stance on the issue and my respect and admiration for human rights defenders both in the past and in the present. But on this occasion I would like to pay tribute to the families of these prisoners of conscience: the husbands, the wives, the mothers, the fathers and the children of these brave men and women who also have been and remain incredibly affected not only by the denial of human rights but by the legal system that fails to honour fairness and equity for those who are willing to speak out.

These people are heroes in their own way—certainly brave enough to want to live in a world of freedom, courageous enough to support their family members in this fight and strong enough to shoulder the burden of supporting the rest of the family when things go wrong. I have no doubt in their strength of character, but I often consider the emotional and financial hardship which they suffer and ask why it is they have to go through this. Why is it that they have to be separated from their loved ones without means of support and why is it that it has had to come to this point, where expressing one's view and demanding fundamental human rights would lead to separations of families and indeed the punishment of family itself?
I have often acknowledged the work of human rights defenders but today I wish to acknowledge the heroes behind them—the unsung heroes whose love and strength of character we need to acknowledge and support. I refer to Tran Duc Truong, father of Tran Huu Duc; Dau Thi Thanh, older sister of Dau Van Duong; Ho Van Luc, younger brother of Ho Duc Hoa; Dang Xuan Ha, younger brother of Dang Xuan Dieu; Tran Thi Lieu, mother of Nguyen Van Oai; Nguyen Van Thu, older brother of Nguyen Van Duyet; Nguyen Thi Oanh, wife of Nguyen Xuan Anh; Ho Thi Lu, older sister of Ho Van Oanh; Thai Van Hoa, older brother of Thai Van Dung; Chu Van Nghiem, father of Chu Van Son and Do Van Pham, uncle of Paulus Le Son.

I have been advised that all these people have been constantly called to police stations, harassed, deterred from their jobs and prevented from earning a living, solely to cause difficulty for their families. I am very concerned for the case of a Mr Paulus Le Son, who has not been able to visit his dying mother or any of his relatives since his detention over six months ago. To be separated from loved ones during Christmas and New Year would be extremely difficult and disheartening for the family, but the situation of Mr Le's mother not being able to see her son before passing must be unbearable.

I would like to bring the House's attention to the Vietnamese government's treatment of human rights defenders who are under house arrest. Although they are not imprisoned or subject to physical abuse, the psychological trauma and isolation which they are made to endure is inhumane and deserves our attention. I refer to Venerable Thich Quang Do, lecturer Pham Minh Hoang, Le Cong Dinh, lawyer Le Thi Cong Nhan, Le Nguyen Sang, Huynh Buu Chau, Doan Van Dien and many others.

Against all this, I see potential for Vietnam to rise as a power for good in South-East Asia. Vietnam provides a good manufacturing base and is taking steps to build good relations with many Western states. However, an important concern which most Western countries have, and certainly one which Australia has, is Vietnam's human rights record. We rightly call Vietnam our South-East Asian neighbour and we value Vietnam as a trading partner. But I am appalled at the number of people currently incarcerated in Vietnam for exercising their fundamental human rights.

Not only is respecting human rights the just and right thing to do, failure to do so costs Vietnam enormous economic growth potential as well as its international reputation. If we look at the Vietnamese people who have settled all over the world since the war, in Australia, America, Canada et cetera, you cannot help but be amazed at what they have been able to achieve in just 36 years. If you take a short stroll through my electorate, and certainly in the streets of Cabramatta today, you will see a wide range of food stalls, fabric shops, medical practices, clinics, law firms and other professional agencies. The Vietnamese people have contributed widely to the Australian community, not just in sharing with us their food and cultural festivities but also in being proactive when it comes to helping fellow Australians in need. Remember the devastation caused by the Queensland floods this time last year? I was amazed when I learned the rationale as to why the Vietnamese people were so committed to raising funds to assist the Queensland Flood Appeal. A good friend of mine, Dr Vinh Binh Lieu, advised me of an old Vietnamese saying which states, 'When you eat the fruit, have regard to those who planted the tree.' He told me that over the past 36 years Australia has provided blanket protection and support for so many Vietnamese families when they were
vulnerable and in need. Now, seeing fellows Australians in trouble, it was seen as their responsibility as the Vietnamese people to give back. Dr Lieu's fundraising event was a great success. He raised $145,000 in one evening. The Vietnamese community in Australia New South Wales chapter president Thanh Nguyen and his committee fundraised for three days at a Tet festival and organised a fundraising dinner, raising $236,000. Father Paul Van Chi called on the Vietnamese Catholic community of New South Wales and raised $40,000 from his collection boxes. The Vietnamese Sydney radio community spoke about the horrors of the Queensland flood and raised $40,000 in their appeal. The doctors of Vietnam Vision organised a barbeque and raised $5,000 in the streets of Cabramatta. Together, they raised more than $450,000 for the Queensland Flood Appeal.

Clearly, the generosity and compassion of the Vietnamese community, as has been demonstrated, is extraordinary. If this is what the Vietnamese people can do in their adopted country, just imagine what they could have done in Vietnam given different circumstances. Instead of looking to China as their most valuable ally, I challenge the Vietnamese government to look at the value and potential of their people. I challenge the communist government to build relationships with their people, to unleash the passion and the courage, the commitment to achieve. Above all, I challenge the Vietnamese government to view the people as we do, as their most valuable resource.

As the member for Fowler, I have got the privilege of representing the most multicultural community in Australia. Almost 25 per cent of my electorate is comprised of Vietnamese speakers. I have been fortunate enough to be warmly welcomed by them over the last year and a half. The more I learn about the Vietnam community, the more respect I have for their culture and their traditions. Human rights is an important issue for the Vietnamese community. As a member of federal parliament I have made a commitment to represent the interests of my constituents and publicly condemn blatant violations of human rights when they occur. Along with our international colleagues, we must work collectively to ensure that progress is made in improving human rights in Vietnam.

I speak not out of anger, I think that war has actually devastated Vietnam enough in that respect. However, I speak out of compassion. Vietnam has a great potential to grow and to achieve much in a modern world. But the only way that it can actually properly realise this is, first, by respecting the fundamental human rights of its own people. Next month, the Australian-Vietnam human rights dialogue will convene. I would urge all those that participate on the human rights dialogue to ensure that efforts are made to ensure that the focus remains firmly on improving the fundamental human rights of the Vietnamese people in order to improve the potential of Vietnam to grow in the South-East Asian region.

The DEPUTY SPEAKER: The time for the grievance debate has expired. The debate is interrupted and in accordance with standing order 192B the debate is adjourned. The resumption of the debate will be made an order of the day next sitting.

**Federation Chamber adjourned at 21:59**
QUESTIONS IN WRITING

Regional Australia, Local Government, Arts and Sport: Portfolio Entities
(Question No. 800)

Mr Fletcher asked the Minister for Regional Australia, Regional Development and Local Government, in writing, on 6 February 2012:

How many departments, agencies, commissions, Government owned corporations or other such bodies have been created within the Minister's portfolio since 24 November 2007 (excluding existing departments that have been re-named or merged into a larger entity), what is the name of each such entity, and how many fulltime equivalent employees did each such entity have at the end of 2011.

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

One. The Department of Regional Australia, Regional Development and Local Government was established by Administrative Arrangements Orders signed by the Governor-General on 14 September 2010. At 31 December 2011, the Department's full-time equivalent number was 335.

Regional Australia, Local Government, Arts and Sport: Portfolio Entities
(Question No. 801)

Mr Fletcher asked the Minister for the Arts, in writing, on 7 February 2012:

How many departments, agencies, commissions, Government owned corporations or other such bodies have been created within the Minister's portfolio since 24 November 2007 (excluding existing departments that have been re-named or merged into a larger entity), what is the name of each such entity, and how many fulltime equivalent employees did each such entity have at the end of 2011.

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

Two agencies have been created within the Arts portfolio since 24 November 2007. The details of each is as follows:

National Film and Sound Archive of Australia (NFSA)

Established as a Commonwealth authority in 2008, the NFSA had 223.6 full-time equivalent employees as at 31 December 2011.

Old Parliament House (OPH)

Established as an Executive Agency in 2008, OPH had 77.93 full-time equivalent employees as at 31 December 2011.

Agriculture, Fisheries and Forestry: Portfolio Entities
(Question No. 815)

Mr Fletcher asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 7 February 2012:

How many departments, agencies, commissions, Government owned corporations or other such bodies have been created within the Minister's portfolio since 24 November 2007 (excluding existing departments that have been re-named or merged into a larger entity), what is the name of each such entity, and how many fulltime equivalent employees did each such entity have at the end of 2011.

Mr Burke: The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:

The Agriculture, Fisheries and Forestry portfolio has established no new departments, agencies, commissions, Government owned corporations or other such bodies under the Financial Management
Agriculture, Fisheries and Forestry: Forestry Industry Special Appropriation
(Question No. 876)

Mr John Cobb asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 27 February 2012:

In respect of the 2011-12 Agriculture Fisheries and Forestry in the Portfolio Budget Statements, Table 2.1, Outcome 1, Program 1.3: Forestry Industry (page 24), what proportion of the $10,186,000 attributed to 'Special appropriations', is budgeted to be funded by (a) the Government, and (b) industry.

Mr Burke: The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:
The special appropriation attributed to the Forestry Industry Program 1.3 in the 2011-12 Portfolio Budget Statements is $10,186,000, of this $4,952,000 is Government funded and $5,234,000 is industry funded through the collection of levies.

Agriculture, Fisheries and Forestry: Fishing Industry Special Appropriation
(Question No. 877)

Mr John Cobb asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 27 February 2012:

In respect of the 2011-12 Agriculture Fisheries and Forestry in the Portfolio Budget Statements, Table 2.1, Outcome 1, Program 1.4: Fishing Industry (page 25), what proportion of the $16,447,000 attributed to 'Special appropriations', is budgeted to be funded by (a) the Government, and (b) industry.

Mr Burke: The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:
The special appropriation attributed to the Fishing Industry Program 1.4 in the 2011-12 Portfolio Budget Statements is $16,447,000, of this $16,297,000 is Government funded and $150,000 is industry funded through the collection of levies.

Agriculture, Fisheries and Forestry: Horticulture Industry Special Appropriation
(Question No. 878)

Mr John Cobb asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 27 February 2012:

In respect of the 2011-12 Agriculture Fisheries and Forestry in the Portfolio Budget Statements, Table 2.1, Outcome 1, Program 1.5: Horticulture Industry (page 25), what proportion of the $75,135,000 attributed to 'Special appropriations', is budgeted to be funded by (a) the Government, and (b) industry.

Mr Burke: The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:
The special appropriation attributed to the Horticulture Industry Program 1.5 in the 2011-12 Portfolio Budget Statements is $75,135,000, of this $41,000,000 is Government funded and $34,135,000 is industry funded through the collection of levies.
Agriculture, Fisheries and Forestry: Wool Industry Special Appropriations
(Question No. 879)

Mr John Cobb asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 27 February 2012:
In respect of the 2011-12 Agriculture Fisheries and Forestry in the Portfolio Budget Statements, Table 2.1, Outcome 1, Program 1.6: Wool Industry (page 25), what proportion of the $53,800,000 attributed to 'Special appropriations', is budgeted to be funded by (a) the Government, and (b) industry.

Mr Burke: The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:
The special appropriation attributed to the Wool Industry Program 1.6 in the 2011-12 Portfolio Budget Statements is $53,800,000, of this $11,300,000 is Government funded and $42,500,000 is industry funded through the collection of levies.

Agriculture, Fisheries and Forestry: Grains Industry Special Appropriation
(Question No. 880)

Mr John Cobb asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 27 February 2012:
In respect of the 2011-12 Agriculture Fisheries and Forestry in the Portfolio Budget Statements, Table 2.1, Outcome 1, Program 1.7: Grains Industry (page 25), what proportion of the $59,043,000 and $81,363,000 attributed to 'Special appropriations', is budgeted to be funded by (a) the Government, and (b) industry.

Mr Burke: The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:
The special appropriation attributed to the Grains Industry Program 1.7 in the 2011-12 Portfolio Budget Statements is:
• $59,043,000, of this $23,421,000 is Government funded and $35,622,000 is industry funded through the collection of levies; and
• $81,363,000, of this $32,151,000 is Government funded and $49,212,000 is industry funded through the collection of levies.

Agriculture, Fisheries and Forestry: Dairy Industry Special Appropriation
(Question No. 881)

Mr John Cobb asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 27 February 2012:
In respect of the 2011-12 Agriculture Fisheries and Forestry in the Portfolio Budget Statements, Table 2.1, Outcome 1, Program 1.8: Dairy Industry (page 26), what proportion of the $46,283,000 attributed to 'Special appropriations', is budgeted to be funded by (a) the Government, and (b) industry.

Mr Burke: The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:
The special appropriation attributed to the Dairy Industry Program 1.8 in the 2011-12 Portfolio Budget Statements is $46,283,000, of this $17,557,000 is Government funded and $28,726,000 is industry funded through the collection of levies.
Agriculture, Fisheries and Forestry: Meat and Livestock Industry Special Appropriation
(Question No. 882)

Mr John Cobb asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 27 February 2012:

In respect of the 2011-12 Agriculture Fisheries and Forestry in the Portfolio Budget Statements, Table 2.1, Outcome 1, Program 1.9: Meat and Livestock Industry (page 26), what proportion of the $75,786,000, $24,293,000, $3,198,000, $800,000, $5,603,000, $10,106,000, $42,206,000 and $16,005,000 attributed to 'Special appropriations', is budgeted to be funded by (a) the Government, and (b) industry.

Mr Burke: The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:

The special appropriation attributed to the Meat and Livestock Industry Program 1.9 in the 2011-12 Portfolio Budget Statements is:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount attributed to 'Special appropriations' in PBS Table 2.1 (a) Commonwealth funded</th>
<th>(b) industry funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>$75,786,000</td>
<td>Nil</td>
</tr>
<tr>
<td>2.</td>
<td>$24,293,000</td>
<td>Nil</td>
</tr>
<tr>
<td>3.</td>
<td>$3,198,000</td>
<td>Nil</td>
</tr>
<tr>
<td>4.</td>
<td>$800,000</td>
<td>Nil</td>
</tr>
<tr>
<td>5.</td>
<td>$5,603,000</td>
<td>Nil</td>
</tr>
<tr>
<td>6.</td>
<td>$10,106,000</td>
<td>Nil</td>
</tr>
<tr>
<td>7.</td>
<td>$42,206,000</td>
<td>$4,490,000</td>
</tr>
<tr>
<td>8.</td>
<td>$16,005,000</td>
<td>$11,515,000</td>
</tr>
</tbody>
</table>

Agriculture, Fisheries and Forestry: Agricultural Industry Special Appropriation
(Question No. 883)

Mr John Cobb asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 27 February 2012:

In respect of the 2011-12 Agriculture Fisheries and Forestry in the Portfolio Budget Statements, Table 2.1, Outcome 1, Program 1.10: Agricultural Industry (page 27), what proportion of the $10,774,000 attributed to 'Ordinary annual services, and $8,946,000, $2,000,000 $14,819,000, $24,728,000, $7,190,000, $9,644,000 and $4,936,000 attributed to 'Special appropriations', is budgeted to be funded by (a) the Government, and (b) industry.

Mr Burke: The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:

The Appropriation, including 'Ordinary annual services' and 'Special appropriation', attributed to the Agricultural Resources Program 1.10 in the 2011-12 Portfolio Budget Statements is:

* The portion of $10,774,000 attributed to 'Ordinary annual services' is all budgeted to be funded by Government under Appropriation Bill 1; and
* The budgeted special appropriation funding can be attributed as follows:
### Agriculture, Fisheries and Forestry: Quarantine and Export Services Special Account Appropriation

**Question No. 884**

Mr John Cobb asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 27 February 2012:

In respect of the 2011-12 Agriculture Fisheries and Forestry in the Portfolio Budget Statements, Table 2.1, Outcome 2, Program 2.1: Quarantine and Export Services (page 62), what proportion of the $10,189,000 attributed to 'Special accounts', is budgeted to be funded by (a) the Government, and (b) industry.

**Mr Burke:** The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:

The special account appropriation attributed to the Quarantine and Export Services Program 2.1 in the 2011-12 Portfolio Budget Statements is $10,189,000, which is all budgeted to be funded by industry through levies appropriated by a special appropriation of $9,493,000 paid into the special account, direct funding from industry to the special account (not through a levy) and interest revenue earned on the balance of industry reserves.

### Agriculture, Fisheries and Forestry: Plant and Animal Health Special Appropriation

**Question No. 885**

Mr John Cobb asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 27 February 2012:

In respect of the 2011-12 Agriculture Fisheries and Forestry in the Portfolio Budget Statements, Table 2.1, Outcome 2, Program 2.2: Plant and Animal Health (pages 62 and 63), what proportion of the $6,312,000, $1,072,000, and $430,000 attributed to 'Special appropriations', is budgeted to be funded by (a) the Government, and (b) industry.

**Mr Burke:** The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount attributed to 'Special appropriations' in PBS Table 2.1</th>
<th>(a) Commonwealth Government funded</th>
<th>(b) industry funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>$8,946,000</td>
<td>$2,030,000</td>
<td>$6,916,000</td>
</tr>
<tr>
<td>3.</td>
<td>$2,000,000</td>
<td>$2,000,000</td>
<td>Nil</td>
</tr>
<tr>
<td>4.</td>
<td>$14,819,000</td>
<td>$7,552,000</td>
<td>$7,267,000</td>
</tr>
<tr>
<td>5.</td>
<td>$24,728,000</td>
<td>$12,792,000</td>
<td>$11,936,000</td>
</tr>
<tr>
<td>6.</td>
<td>$7,190,000</td>
<td>$2,987,000</td>
<td>$4,203,000</td>
</tr>
<tr>
<td>7.</td>
<td>$9,644,000</td>
<td>$5,864,000</td>
<td>$3,780,000</td>
</tr>
<tr>
<td>8.</td>
<td>$4,936,000</td>
<td>Nil</td>
<td>$4,936,000</td>
</tr>
</tbody>
</table>

- The portion of the $2,000,000 (at item 3 above) attributed to 'Special appropriation' is all budgeted to be funded by the Government under section 28 of the Financial Management and Accountability Act (FMA Act) in order to repay amounts received in error or that the Government is not entitled to.
The special appropriation attributed to the Plant and Animal Health Program 2.2 in the 2011-12 Portfolio Budget Statements is:

- $6,312,000, which is all budgeted to be funded by industry through the collection of levies;
- $1,072,000, which is all budgeted to be funded by industry through the collection of levies; and
- $430,000, which is all budgeted to be funded by industry through the collection of levies.

**Agriculture, Fisheries and Forestry: Quarantine and Export Services Special Account Appropriation**

(Question No. 886)

Mr John Cobb asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, in writing, on 27 February 2012:

In respect of the 2011-12 Agriculture Fisheries and Forestry in the Portfolio Budget Statements, Table 2.1, Outcome 2, Program 2.1: Quarantine and Export Services (page 62), what dollar value of the $285,203,000 attributed to 'Special accounts', is budgeted to be funded by (a) Government, and (b) industry.

Mr Burke: The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable member's question:

The special account appropriation attributed to the Quarantine and Export Services Program 2.1 in the 2011-12 Portfolio Budget Statements is $285,203,000, which is all budgeted to be funded by cost recovered activities, and is not Government funded.