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SITTING DAYS—2015

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—SIXTH PERIOD

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

House of Representatives Office holders
Speaker—Hon. Bronwyn Kathleen Bishop MP
Deputy Speaker—Hon. Bruce Craig Scott MP
Second Deputy Speaker—Mr Robert George Mitchell MP
Members of the Speaker's Panel—Mr Russell Evan Broadbent MP,
Ms Anna Elizabeth Burke MP, Ms Sharon Catherine Claydon MP,
Mr Patrick Martin Conroy MP, Mr Alexander George Hawke MP,
Mr Ian Reginald Goodenough MP, Mrs Natasha Louise Griggs MP,
Ms Sarah Moya Henderson MP, Mr Stephen James Irons MP, Mr Ewen Thomas Jones MP,
Mr Craig Kelly MP, Ms Michelle Leanne Landry, Ms Clare Ellen O'Neil, MP,
Mrs Jane Prentice MP, Mr Donald James Randall MP, Mr Ross Xavier Vasta MP,
Mr Brett David Whiteley MP, Mrs Lucy Elizabeth Wicks MP

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

Party Leaders and Whips
Liberal Party of Australia
Leader—Hon. Anthony John Abbott MP
Deputy Leader—Hon. Julie Isabel Bishop MP
Chief Government Whip—Mr Scott Buchholz MP
Government Whips—Mr Andrew Alexander Nikolic, AM, CSC and
Ms Nola Bethwyn Marino MP

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

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

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<td>Watts, Mr Timothy Graham</td>
<td>Gellibrand, VIC</td>
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<td>Whiteley, Mr Brett David</td>
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<td>Wilkie, Mr Andrew Damien</td>
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<td>Wilson, Mr Richard James</td>
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<td>Wyatt, Mr Kenneth George AM</td>
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<td>Zappia, Mr Antonio</td>
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**PARTY ABBREVIATIONS**
ALP—Australian Labor Party; LP—Liberal Party of Australia; NATS—The Nationals; IND—Independent; NATSWA—The Nationals WA; CLP—Country Liberal Party; AUS—Katter’s Australia Party; AG—Australian Greens; PUP—Palmer United Party

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Clerk of the House of Representatives—D Elder
Acting Secretary, Department of Parliamentary Services—D Heriot
Parliamentary Budget Officer—P Bowen
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<tr>
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Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans' Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
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<tr>
<td>Shadow Cabinet Secretary</td>
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<tr>
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BILLS

Airports Amendment Bill 2015

First Reading

Bill and explanatory memorandum presented by Mr Truss.

Bill read a first time.

Second Reading

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (09:01): I move:

That this bill be now read a second time.

On 15 April 2014 the Australian government announced that the site for Western Sydney’s new airport will be Badgerys Creek. This delivers on a government promise when in opposition to make a decision on Sydney’s future airport needs during its first term in office.

It demonstrates the government’s commitment to the Western Sydney region. A new airport will be a major boost for the local economy and create thousands of jobs during construction and a pipeline of jobs once an airport becomes operational. These benefits are being seen already with the start of construction of road upgrades to support the proposed new airport.

The government continues to deliver on this commitment with the progression of formal consultations with Sydney Airport Group on developing the proposed airport and the commencement of a new environmental impact assessment for the Badgerys Creek site.

A new airport for Western Sydney will create infrastructure for the 21st century and generate jobs and economic growth in Western Sydney.

To ensure these outcomes can be realised as soon as possible, the Airports Amendment Bill 2015 amends the Airports Act 1996 to provide for the creation of an airport plan for the proposed Western Sydney Airport. The Airports Act provides the framework to manage and operate Australia’s federally leased airports.

The airport plan will authorise the initial development and specify the Australian government’s requirements for the airport.

It will do this by taking processes ordinarily relating to master plans and major development plans currently in the Airports Act and combining them into a single streamlined process applicable to a greenfield airport development.

In doing so, the bill recognises the importance of the environmental assessment process currently underway for the airport and confers an approval function on the environment minister in relation to environmental matters.

The usual process in major development plans is for a referral to be made to the environment minister for the project to be assessed under the Environment Protection and Biodiversity Conservation Act 1999 if required and for the environment minister to provide
advice to the Minister for Infrastructure and Regional Development, who is the final decision maker on the plan.

Badgerys Creek is a greenfield development, and preparation of an environmental impact statement is underway and will be finalised under the EPBC Act. This bill will require the Minister for Infrastructure and Regional Development to incorporate in the plan any environmental conditions imposed by the Minister for the Environment following completion of the EIS.

The community will have the opportunity to comment on both the environmental impact statement and airport plan as consultation on each will occur at the same time.

Once the airport plan is in place, no further planning or development approvals will be required prior to initial construction commencing. It will enable detailed design and construction planning to commence as soon as possible after contract signature.

This is a practical, common-sense measure that recognises the unique circumstances of a greenfield airport development.

The bill also includes measures that would help the government pivot to ready alternatives if Sydney Airport Group turns down an offer to develop and operate the proposed airport.

Under the 2002 sale agreement for Sydney Kingsford Smith Airport, the owners of Sydney Airport have a right of first refusal to develop and operate a second major airport within 100 kilometres of Sydney’s centre.

Once the consultation period is complete, the government will come to a decision on the need for and nature of a second airport in Western Sydney. This is a contractual step required before the government can make an offer.

This offer must be made to Sydney Airport Group first. If it declines to accept, the offer can be made to third parties or the Commonwealth can undertake the project itself.

However, the Airports Act currently effectively prevents the Commonwealth from taking either of these actions in the event that the Sydney Airport Group declines to accept the offer.

Section 18 of the Airports Act requires that the airport lessee companies for Sydney’s Kingsford Smith Airport, and any airport site declared to be the Sydney West Airport, as it is referred to in the Airports Act, must be subsidiaries of the same company. This is a legacy provision from the Airports Act as originally passed in 1996.

While the government is contractually obliged to engage commercially with the Sydney Airport Group and is not opposed to a common ownership situation, it needs to be legislatively possible for the two airports to be under different ownership in the event that Sydney Airport Group turns down an offer to develop and operate the airport.

The Airports Amendment Bill removes the requirement for common ownership, providing the Commonwealth with the commercial flexibility to deal with third parties or to develop the airport itself if required.

The bill also removes the airport cross-ownership restrictions currently placed on Sydney West Airport. These restrictions prevent cross-ownership of more than 15 per cent between Melbourne, Brisbane or Perth airports and a new airport at Badgerys Creek. The amendment will help maximise the success of any market offering in the event Sydney Airport Group choose not to exercise an option to develop and operate the airport.
This amendment is about giving the government the commercial flexibility it requires to get the best outcome for the people of Western Sydney and the Australian economy more broadly.

Separately, the bill contains some mechanical provisions to facilitate declaration of the airport site and other preparatory work.

The Airports Amendment Bill 2015 will help ensure the economic and social benefits of an airport for Western Sydney can be realised as soon as possible.

I commend the bill to the House.

Debate adjourned.

**Social Services Legislation Amendment (Fair and Sustainable Pensions) Bill 2015**

**First Reading**

Bill and explanatory memorandum presented by Mr Morrison.

Bill read a first time.

**Second Reading**

Mr MORRISON (Cook—Minister for Social Services) (09:08): I move:

That this bill be now read a second time.

This bill will introduce several 2015 budget measures improving the fairness and sustainability of the pension system, and reintroduce some measures previously introduced in 2014 bills that are still before the Senate.

For improved fairness and equity, the first of the new budget measures will make sure a fairer proportion of a superannuant's actual defined benefit income is taken into account when the social security income test is applied. From 1 January 2016, this measure will introduce a 10 per cent cap on the defined benefit income that can be excluded from the social security income test.

A defined benefit income stream is a pension paid from a public sector or other corporate defined benefit superannuation fund, where the pension paid generally reflects years of service and the final salary of the beneficiary. Current arrangements allow some defined benefit superannuants to have a large proportion of their superannuation income excluded from the pension income test.

People receiving Veterans' Affairs pensions will not be affected by this change, and defined benefit income streams paid by military superannuation schemes will be excluded.

From 1 January 2017, the bill will reduce from 26 to six weeks the length of time the age pension, and a small number of other payments with unlimited portability, will generally be paid at the basic means-tested rate while the person is outside Australia.

After six weeks, payment will be made on a proportional basis according to the length of the pensioner's Australian working life residence—a concept representing the length of time the person has resided in Australia between age 16 and age pension age.

Pensioners overseas on the implementation date will stay under the current 26-week rule until they return to Australia. Subsequent trips will be under the new six-week rule. Those pensioners with 35 years or more of Australian working life residence and those already
exempt from the proportional payment rules—such as some recipients of the disability support pension—will not be affected.

A further measure applying from 1 January 2017 will rebalance the assets test to make it fairer and better targeted and to help ensure the pension system is sustainable into the future. The changes will:

- increase the assets test free areas to provide additional assistance to part rate pensioners with moderate asset holdings—(We estimate more than 170,000 Australians on a part-pension will get a higher pension as a result of these changes);
- provide an additional increase in the free areas for non-homeowners to ensure fairer treatment for those who do not own a home and therefore do not benefit from the principal home exemption; and
- better target the pension by increasing the assets test taper (or withdrawal) rate for assets above the new free areas from $1.50 to $3.00 per fortnight for each extra $1,000 in assessable assets—this will reduce support to pensioners with higher levels of assets who have greater capacity to support themselves. This last change will restore the taper rates that were in effect from 1994 to 2007.

The purpose of providing tax incentives to encourage people to build up their superannuation is so they can draw down on it in their retirement.

People with higher levels of retirement savings have the capacity to draw down on their assets, as intended, to support themselves in retirement rather than calling on the taxpayer for a pension for support. Those most affected by the changes would only have to draw down a maximum of 1.84 per cent of their assets to make up for the loss of their part-pension and maintain their current levels of income.

Importantly, pensioners who lose pension entitlement on 1 January 2017 as a result of the changes will be automatically issued with a Commonwealth Seniors Health Card, or a health care card for those under pension age, without the need to meet the usual income requirements. Additionally, veterans whose service pension is cancelled under this measure will retain their Veterans' Affairs Gold Card.

This bill also takes the opportunity to reintroduce some measures relevant to pensioners from the 2014 budget.

The first of these measures is to cease payment of the Seniors Supplement for holders of the Commonwealth Seniors Health Card or the Veterans' Affairs Gold Card. This measure is currently before the Senate in the Social Services and Other Legislation Amendment (Seniors Supplement Cessation) Bill 2014.

In reintroducing this measure, the implementation date will be moved to 20 June 2015 (meaning the last quarterly payment of Seniors Supplement would generally be made on 20 June 2015).

Lastly, the bill reintroduces two measures currently before the Senate in the Social Services and Other Legislation Amendment (2014 Budget Measures No. 4) Bill 2014. These measures are to cease the Pensioner Education Supplement and the Education Entry Payment—with a new start date in each case of 1 January 2016.
The government believes in fairer access to a sustainable pension. This bill will result in an increase in pension payments for those with modest to low levels of assets, while requiring those with more substantial assets to draw on the assets that they have built up to ensure that they do not have to draw down on a pension in their retirement.

But what we will not do is: we will not increase the rate of tax on those who have saved for their retirement. We do not consider someone's own savings, and drawing down on their own savings, as a welfare payment. For those who need a welfare payment, that is what the pension is for, for those most in need. And to those who saved for their retirement: we thank them for doing that and ensuring that they can sustain themselves in their retirement and not be drawing down on the taxpayer. I commend the bill to the House.

Debate adjourned.

Passports Legislation Amendment (Integrity) Bill 2015

First Reading

Bill and explanatory memorandum incorporating a statement of compatibility with human rights presented by Mr Morrison.

Bill read a first time.

Second Reading

Mr MORRISON (Cook—Minister for Social Services) (09:16): I move:

That this bill be now read a second time.

I am pleased to introduce the Passports Legislation Amendment (Integrity) Bill 2015 to the parliament.

The bill amends the Australian Passports Act 2005, the Foreign Passports (Law Enforcement and Security) Act 2005 and makes minor consequential amendments to a number of other acts. It also repeals the Australian Passports (Transitionals and Consequentials) Act 2005.

The bill is the result of a review of Australian passports legislation 10 years after it was enacted.

The bill seeks to refine and clarify the legislation and to strengthen the government's ability to respond to unlawful activity in relation to Australian travel documents.

The government is committed to maintaining the integrity and security of Australian travel documents in the interests of all Australians.

The Australian passport is the most valuable identity document used in Australia and is recognised as one of the most secure and trustworthy travel documents in the world.

The integrity of the Australian passport protects ordinary Australians from identity theft—which is a growing problem in Australia and internationally—and also continues to support our national security framework, which is a priority for this government.

The integrity of the Australian passport ensures that Australian travellers are accepted at borders across the world and gives other countries the confidence to allow Australians visa-free access to facilitate their travel.

The principal amendments to the passports act being introduced by this bill are that:
(1) the bill will provide that a travel document may be issued to a person on the minister's own initiative, to facilitate a lawful requirement to travel;

(2) the bill will align the definition of 'parental responsibility' more closely to that in the Family Law Act; the minister suspects, on reasonable grounds, that false or misleading statements, including information or documents have been given in relation to a travel document or an application for a travel document;

(4) the bill will modify the existing offence framework and add a new offence to strengthen the government's ability to respond to the fraudulent use of Australian travel documents.

Issue travel documents without consent for a lawful requirement to travel

The first of these key changes is to provide that a travel document may be issued to a person, on the minister's own initiative, to facilitate a lawful requirement for a person to travel.

This is limited to the following circumstances:

- to remove or deport a person who is the subject of a lawful removal or deportation order, to or from Australia;
- to extradite a person who is the subject of a lawful extradition request, to or from Australia; and
- to effect an international prison transfer.

A person should not be able to delay or obstruct a lawful expulsion to or from Australia by refusing consent to the issue of a travel document.

There are already existing avenues for people to seek review of the substantive decision to extradite or remove them.

Australia is a contracting state to the International Civil Aviation Organization's Convention on International Civil Aviation. The convention stipulates that a contracting state shall issue a travel document to one of its citizens to facilitate their return to the contracting state within 30 days of a request by another state to do so.

Currently, we do not have a clear legal basis on which to issue documents in order to comply with the international standards set by this convention. Indeed, on occasion we have had to refuse requests from the contracting states to issue a travel document to an Australian citizen, because the person in question did not consent. The proposed amendments to the passports act will allow us to comply with the ICAO standards where contracting states request we issue travel documents to our citizens in the future.

Amending the definition of parental responsibility

The second key change relates to the definition of parental responsibility for the purposes of determining who is required to consent to a child having a travel document.

Child passport applications are one of the most complex aspects of passport operations.

Due to the changing dynamic of family composition in Australia over the last 10 years, we have seen a noticeable increase in the number and complexity of child passport applications without full parental consent.

For a small number of applicants, the current requirements can cause unnecessary distress, delays and confusion.
The bill will ensure that the reference to parental responsibility in the passports act is consistent with the concept in the Family Law Act and remove any confusion as to who is required to consent to a child having a travel document.

The bill provides that the following persons are required to consent to a child having a passport:

- parents (who have not had their parental responsibility removed by a court);
- persons who, under a court order, have parental responsibility or with whom the child is to live; and
- persons with guardianship, custody or parental responsibility for the child under an Australian law.

Those persons who have a court order to 'spend time with' or enable 'access to' a child but who do not have parental responsibility, will no longer be required to consent to a child having a passport.

It is inappropriate that the passport act, as it currently stands, accords a person more parental responsibility for a child than is permitted by the court.

It means that a parent who has been granted sole parental responsibility under a court order is no longer required to seek the consent of other persons who have 'access to' the child.

It is important to note that these amendments do not remove the legal requirement for a person travelling overseas with a child to seek consent to the child's travel from all persons who have court-awarded 'access to' or 'spend time with' orders for the child.

It remains an offence under the Family Law Act to take a child overseas without consent from all persons in whose favour a court order is made in relation to a child.

This information is clearly included in information booklets distributed to all passport holders, in the passport itself and on the passports website.

The bill will also clarify the Department of Foreign Affairs and Trade's role in issuing travel documents by making consent relate to a child having a passport, rather than consent for a child to travel internationally.

The department issues travel documents. This is a point-in-time decision. Once issued, it has no control over where or when a child travels overseas. And, independent of any travel, a passport is an important identity document.

As such, it is more appropriate that consent relates to the child having a passport.

The bill will also address an anomaly in the current legislation to ensure that the child consent provisions cover children born outside of marriage in Western Australia.

This is because Western Australia has not referred its powers relating to ex-nuptial children to the Commonwealth.

These amendments will clarify the process for applying for a child passport where court orders are in place. They will protect and strengthen the rights of persons with parental responsibility to make decisions about their child.
Refuse to process a fraudulent travel document application

The third key amendment in the bill is to provide that a passport application may not be processed if there are reasonable grounds to suspect fraud. This would be a reviewable decision.

It is an offence under the passports act to provide false or misleading information, statements or documents in relation to an application for an Australian travel document.

This provision may be used instead of, or in addition to, a criminal prosecution for these offences.

Fraudulent travel document applications threaten the security and integrity of the Australian passport system.

It is essential that the government send a clear message that any kind of fraud in relation to Australian travel documents will not be tolerated.

Fraud in a travel document application ranges from a person forging the signature of a guarantor for convenience to identity theft.

It is important to note that this provision does not prevent a person from being issued a travel document. But they must submit a fresh application with the correct information and supporting documents and meet all other eligibility requirements.

Revise existing offences and add offence for fraudulent use of travel documents

The fourth and final key amendment in the bill is to revise a number of existing offences and add an offence to target the making and providing of false Australian travel documents.

These amendments will strengthen the government's ability to respond to the increasing threat of fraud.

Travel documents are a key enabler of serious crime.

Strong passports legislation helps protect Australia from the use of false identity and citizenship documents and related criminal activity, including people-smuggling, terrorism and drug smuggling.

This bill amends three offences relating to the provision of false or misleading information, statements or documents in relation to an application for an Australian travel document. The amendments provide that these offences also apply to the travel document itself and not just the application.

These amendments are designed to address, in part, cases where a person maliciously reports a passport as lost or stolen so that it will be cancelled to intentionally disrupt the travel of another person.

This amendment will also target persons who seek to fraudulently collect someone else's travel document using false identity documents.

The bill amends the existing offence for selling an Australian travel document to provide that it is also an offence to sell a false Australian travel document.

This bill also amends the existing offence for damaging or destroying an Australian travel document so that it is also an offence to manipulate or tamper or interfere with a travel document. To avoid any doubt, the amendments specify that this offence applies to the chip embedded in a travel document.
These amendments are intended to capture those who intentionally alter genuine Australian travel documents for fraudulent or criminal purposes as well as those who create counterfeit Australian travel documents.

The bill adds one new offence for making or providing false Australian travel documents with the intention that they will be used or accepted as genuine.

This offence mirrors an offence for making or providing a false foreign travel document in the foreign passports act.

The maximum penalty for this offence is imprisonment for 10 years or 1,000 penalty points, or both. These penalties are consistent with other offences in the passports act and foreign passports act and related offences in other Commonwealth acts.

They reflect the gravity of offences that threaten the integrity of Australia's premier identity document.

In summary, the amendments to the offence provisions in the passports act are necessary to deter and respond to the increasing fraudulent use of travel documents, and the wider implications of such activity in enabling serious crime and identity theft.

**Refusing unacceptable names and signatures**

One further amendment to protect the integrity of the Australian passports system is a provision to enable a name or signature that would appear on an Australian travel document to be refused if it is unacceptable, inappropriate or offensive.

It is not appropriate that on Australia's most important identity document a person may use a name or signature that is, for example:

- offensive or obscene; or
- could mislead others into believing the bearer holds a title or an award.

While these situations rarely occur, it is important that a clear legal basis exists to refuse such names or signatures to protect the integrity of Australian travel documents.

**Clarify and simplify the legislation**

In addition to these key amendments, the bill refines the current provisions by:

- removing the need to refer to the Passports Determination to work out which provisions in the act apply to which travel documents;
- combining related subsections to avoid duplication; and
- clarifying existing provisions consistent with current practice.

**Conclusion**

In conclusion, this bill seeks to refine and clarify the existing passports legislation that has stood us in good stead for the last 10 years.

It seeks to protect the Australian community by preventing and deterring the fraudulent use of Australian travel documents and related crimes.

The Australian passport is unquestionably the most important identity document in Australia. It is held in high regard around the world. It is critical that the government ensures that this does not change.

This bill helps us to do just that.
I commend this bill to the House.
Debate adjourned.

**Excise Tariff Amendment (Ethanol and Biodiesel) Bill 2015**

**First Reading**

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

**Second Reading**

Mr FRYDENBERG (Kooyong—Assistant Treasurer) (09:28): I move:

That this bill be now read a second time.

The Excise Tariff Amendment (Ethanol and Biodiesel) Bill 2015 implements the government's 2014-15 budget measures to reform the taxation treatment of biodiesel and fuel ethanol. As part of that implementation the Energy Grants and Other Legislation Amendment (Ethanol and Biodiesel) Bill 2015 abolishes the Cleaner Fuels Grant Scheme.

In last year's budget, the government announced changes to the taxation of biodiesel and fuel ethanol to better balance the need to support these important Australian industries while keeping the budget position on track.

Currently domestically produced biodiesel and fuel ethanol and imported biodiesel are subject to the same rate of excise as petrol and diesel. However, these fuel producers and importers are able to access a grant for the full amount of duty paid.

The Cleaner Fuel Grants Scheme refunds excise and excise equivalent customs duty paid on both imported and domestically produced biodiesel.

A similar scheme, the Ethanol Production Grants Scheme, which refunds excise paid on fuel ethanol to domestic producers, will cease on 30 June 2015.

Instead of these grant schemes, the excise payable on domestic production of biodiesel and fuel ethanol will be reduced to zero and will then gradually increase to a reduced rate. The new excise rate for biodiesel will reach 50 per cent of the full rate of excise that applies to petrol and diesel, and the new rate for fuel ethanol will reach approximately 33 per cent of that rate.

Imported biodiesel and fuel ethanol will be subject to the full fuel duty rate.

The government is mindful of the important role that domestic fuel ethanol and biodiesel producers play in the economy and the importance of encouraging diversity in Australia's fuel mix.

Biodiesel and fuel ethanol producers contribute to the Australian economy through their fuel production processes, and having a range of alternative fuels has a positive effect on Australia's energy security.

The government's role in facilitating the success of Australian industries has to be balanced against the government's debt and the cost to the future prosperity of Australians of fiscal policies that do not maintain a sustainable trajectory back to surplus.

For this reason the government has decided to move domestically-produced fuel ethanol and biodiesel into the excise system and to apply excise with reference to energy content. This
The approach is consistent with the government's approach to other alternative fuels and will ensure that fuels are taxed fairly and transparently.

The approach in these bills recognises both that biodiesel is a close substitute for conventional diesel and that fuel ethanol has lower energy content than petrol or diesel.

This treatment in respect of domestically-produced biodiesel and fuel ethanol is consistent with Australia's longstanding government policy to tax alternative fuels at half the energy equivalent rate. This policy recognises not only the potential benefits of these alternative fuels but also the desirability of tax neutrality across alternative fuels. This puts in the hands of Australians the choice of fuel rather than it being dictated by its tax treatment.

The government is committed to working constructively with the opposition and other members and senators to pass these reforms through the parliament.

The government is setting Australia on a realistic return to surplus. We will make the decisions that are needed to repair the budget and maintain the integrity of the tax system.

These decisions form the basis of an economy that will be well placed to ensure the future prosperity of Australia and Australians.

The government's progress back to surplus has made significant progress. As part of the commitment to repair the budget, the government is prepared to make the right decisions to ensure the return to surplus occurs as soon as possible. The 2015-16 budget maintains a steady and credible trajectory towards surplus despite a $52 billion write down in tax receipts and the iron ore price almost halving since the 2014 15 budget.

The savings provided by these measures are part of the government's broader plan to return Australia to surplus.

Full details of the measures are contained in the explanatory memorandum.

Debate adjourned.

**Energy Grants and Other Legislation Amendment (Ethanol and Biodiesel) Bill 2015**

*First Reading*

Bill and explanatory memorandum presented by Mr Frydenberg.

Bill read a first time.

*Second Reading*

Mr FRYDENBERG (Kooyong—Assistant Treasurer) (09:33): I move:

That this bill be now read a second time.

The Energy Grants and Other Legislation Amendment (Ethanol and Biodiesel) Bill 2015 is one of a number of bills in this package that implements measures to change the taxation treatment of fuel ethanol and biodiesel.

The measures remove existing grant schemes and instead provide that the domestic production of biodiesel and fuel ethanol will be subject to a reduced but gradually increasing rate of excise.

Full details of the measure are contained in the explanatory memorandum.

Debate adjourned.
Mr FRYDENBERG (Kooyong—Assistant Treasurer) (09:34): I move—

That:

(1) this House refer the following matters, relating to the impairment of customer loans, to the Parliamentary Joint Committee on Corporations and Financial Services for inquiry and report by 31 March 2016: the

(a) practices of banks and other financial institutions using a constructive default (security revaluation) process to impair loans, where constructive default/security revaluation means the engineering or the creation of an event of default whereby a financial institution deliberately reduces, through valuation, the value of securities held by that institution, thereby raising the loan-to-value ratio resulting in the loan being impaired;

(b) role of property valuers in any constructive default (security revaluation) process;

(c) practices of banks and other financial institutions in Australia using non-monetary conditions of default to impair the loans of their customers, and the use of punitive clauses such as suspension clauses and offset clauses by these institutions;

(d) role of insolvency practitioners as part of this process;

(e) implications of relevant recommendations of the Financial System Inquiry, particularly recommendations 34 and 36 relating to non-monetary conditions of default and the external administration regime respectively;

(f) extent to which borrowers are given an opportunity to rectify any genuine default event and the time period typically provided for them to do so;

(g) provision of reasonable written notice to a borrower when a loan is required to be repaid;

(h) appropriateness of the loan to value ratio as a mechanism to default a loan during the period of the loan; and

(i) conditions and requirements to be met prior to the appointment of an external administrator; and

(2) in undertaking this inquiry, the Committee take evidence on:

(a) the incidence and history of:

(i) loan impairments; and

(ii) the forced sale of property;

(b) the effect of the forced sale of property in depressed market conditions and drought;

(c) comparisons between valuations and sale price;

(d) the adequacy of the legal obligations on lenders and external administrators (including s420A of the Corporations Act 2001) to obtain fair market value for the forced sale of property; and

(e) any related matters.

Question agreed to.

The SPEAKER: It is very good to see the House referring a matter to the joint committee.
Debate resumed on the motion:
That this bill be now read a second time.

The SPEAKER: Before the debate is resumed, I remind the House it has been agreed that a general debate be allowed covering the bill and the Tax Laws Amendment (Small Business Measures) No. 2 Bill 2015. I note that we are now moving to the minister to sum up. I call the Minister for Small Business.

Mr BILLSON (Dunkley—Minister for Small Business) (09:35): Firstly, in summing up this discussion may I thank all those members who have contributed to the debate—a spectacular 31 members in this chamber, including 16 coalition MPs and 15 from the opposition. And isn’t it great that those electorates represent around 300,000 small businesses that have been able to have their interests, their concerns, their aspirations, discussed in this chamber. That was a very worthwhile use of parliamentary time and a great opportunity for Australian small business men and women to know that this parliament is very focused on their interests and their ambitions and goals, and what we can do to energise enterprise and support their contribution to the economy and jobs.

Small business and primary producers make a very important contribution to the Australian economy. They test and pioneer innovative ideas and business practices which are critical to future economic growth, job prospects and improved living standards. These measures are part of a broader package to help small businesses and family enterprises to grow, as they also provide support for farmers and farm businesses and rural communities in drought affected areas across our continent. Firstly, the Tax Laws Amendment (Small Business Measures) No. 1 Bill amends the tax law to lower the company tax rate by 1.5 percentage points, to 28.5 per cent, for incorporated small businesses, potentially helping up to 780,000 small business companies to retain more earnings and improve their cash flow. This is the lowest small business company tax rate since 1967.

The Tax Laws Amendment (Small Business Measures No. 2) Bill will amend the tax law to expand the accelerated depreciation provisions for small businesses. For small business this involves lifting the threshold for immediate deductibility from $1,000 to $20,000 in allowing assets above this threshold to be depreciated in the simplified pooling arrangements. These arrangements allow these more expensive assets to be depreciated at a rate of 15 per cent in the first year and 30 per cent per year thereafter. This expansion to accelerated depreciation will be available from 7.30 pm on 12 May 2015 to 30 June 2017. As 97 per cent of primary producers are small businesses these amendments will also provide a significant benefit to many, many farmers.

To provide further assistance the bill will also amend the tax law to allow primary producers to access accelerated depreciation rates on fencing, water facilities and fodder storage assets. Primary producers will be allowed to immediately claim a tax deduction for
expenditure on fencing and water facilities such as dams, tanks, bores, irrigation channels, pumps, water towers and windmills. Expenditure on fodder storage assets such as silos and tanks used to store grain and other animal feed will be depreciated over three years.

The amendments will improve resilience for farmers facing drought, improve cashflow and reduce red tape by removing the need to track expenditure over time. The accelerated depreciation for primary producers will be available from 7.30 pm on 12 May. These are key elements of the coalition's jobs and small business package introduced by the Abbott government on budget night, and I commend these bills to the House.

Question agreed to.
Bill read a second time.

Third Reading

Mr BILLSON (Dunkley—Minister for Small Business) (09:40): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Tax Laws Amendment (Small Business Measures No. 2) Bill 2015

Second Reading

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

Mr BILLSON (Dunkley—Minister for Small Business) (09:40): I simply commend the contribution of colleagues as a cognate, and I commend the bill to the House.
Question agreed to.
Bill read a second time.

Third Reading

Mr BILLSON (Dunkley—Minister for Small Business) (09:41): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Medical Research Future Fund Bill 2015

Medical Research Future Fund (Consequential Amendments) Bill 2015

Second Reading

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

Ms KING (Ballarat) (09:42): I rise to speak in this cognate debate on the Medical Research Future Fund Bill 2015 and related bill, and in doing so I rise six months after the government promised that this so-called landmark of its last budget was supposed to already be in operation. In fact we should have really been debating these bills yesterday. What we saw was, frankly, eight hours of debate on a bill in which 150 members of the House of
Representatives were all going to vote yes. This was purely because—and those opposite decided that they had to restrict their members to five-minute speeches towards the end—they all wanted to make sure that they had something to say in their electorate newsletters. In the meantime there is this bill, there is the bill that enacts the sixth pharmacy agreement, and there are a number of other bills in the health space that are languishing because the government wanted to have eight hours of debate on a bill that every single person in this House agreed with.

Going back to this bill: the government promised, with much fanfare in its last budget, that the Medical Research Future Fund would be established by 1 January this year, meaning that this bill would have had to come before House in November last year for that to be achieved. In fact it was originally listed to do so but did not appear. What is far worse is the government does not appear to have used those months of delay by actually doing any detailed policy work needed to develop the best possible fund to support health and medical research in this country—no work at all.

We know the idea for a Medical Research Future Fund first came about just weeks before the last budget and it was announced with no consultation with the National Health & Medical Research Council, no consultation with Australia's chief scientist, no consultation with the medical research community at all, and the health department only found out about it a few weeks before the budget. What is clear in the months that followed is that the government has not set up a fund that will distribute funding subject to peer review or to proper independent oversight. It has instead established a fund that will allow the government to distribute health and medical research funding in this country according to its own decisions. There is no peer review and no independent oversight in the legislation at all, which will allow the government to fund its own pet health and medical research projects.

I do intend to go into some detail about the concerns Labor has, but they are concerns that I express out of disappointment above anything else. If we are to have a Medical Research Future Fund, it should be established in good faith and in cooperation with the health and medical research community and it should have good governance at its heart. Because if we do not do this, if where the money goes is subject purely to the government's decision making, we are absolutely trashing the reputation of Australia's health and medical research. The government should be using this fund to invest in the best possible health and medical research, based on independent peer review and on the advice of experts in the field who are independent of government and subject to the scrutiny of their peers. These are principles that do not appear to be reflected in this bill, which is a real lost opportunity.

In developing the bill, the government certainly has not been consulting with the health and medical research sector. I am very concerned that the way it has been drafted does not even meet the principles of governance that the government itself has set. If the government took this fund seriously, as it claims publicly to do, then you would think it would have taken the time to consult with the health and medical research community and eminent individuals like Simon McKeon, who is responsible for the strategic review into health and medical research. You would also assume that the government would take a principled approach to ensuring that funding is administered at arm's length from government, if it truly believes in the value of health and medical research. To do anything less will trash the reputation of health and medical research in this country.
If you do take the government at its word on these things, you would be right to be surprised and greatly concerned at the way the government has drafted this bill. We know how much more competitive health and medical research grants are becoming. If the government truly believes in supporting the best health and medical research projects, not just its pet projects, it would be taking the advice of experts. I know that the health and medical research community has been as surprised as Labor about the way the funding is to be administered through this fund. It should be rightly sceptical about what it will mean for the quality of projects being funded, which is why Labor will be making amendments to this bill, especially as they relate to the disbursement of credits.

The 2014-15 budget glossy explicitly stated that:

Fund earnings will be directed to medical research, primarily by boosting funding for the National Health and Medical Research Council.

I want to repeat that: 'primarily by boosting funding for the National Health and Medical Research Council'. That is from the government's own budget papers, their own health budget glossy, on establishing its fund. That is what it said it was going to do. I am sure the former CEO of the NHMRC, Professor Warwick Anderson, and, I suspect, all those involved in the health and medical research community, are very disappointed to see the way this bill has been drafted, especially when the NHMRC was never consulted on the announcement that there would even be a fund in the last budget. Professor Anderson did in fact warn of this on 15 April this year when he said in a Press Club address:

I think the researchers out there and in the audience today have to keep an eye on this so the public benefit from this big investment, and the public will benefit best if the public disbursement is peer reviewed.

Sadly, those views have now been realised and the bill, as it now stands, does not include disbursements from the fund that are subject to independent peer review.

So, once again, the reason that Labor has such significant concerns is that this bill does not reflect the principles that the government set even for itself, and it does not guarantee that a single extra dollar in funding will travel through to the National Health and Medical Research Council. Specifically, the bill does not provide the governance assurances that would satisfy Labor that the fund credits will be disbursed in the most prudent manner. Frankly, the way that the government has established it leaves no assurance that funds will not simply be channelled to fund the coalition's own election commitments and pet projects, so long as they meet very broad purposes as stated in the bill.

As it stands, the bill is creating what could very likely become another government slush fund: $20 billion in funding with no independent oversight of how the earnings from that money is to be spent. Credits are not proposed to be directed through the existing mechanisms for health and medical research in this country—the NHMRC. They are not even primarily going to be disbursed through the NHMRC. It is not even proposed to have the disbursements overseen by an expert panel or even have any peer review at all. In fact, despite the government saying—as did the Treasurer saying in his second reading speech—that there would be an advisory board, there is no mention of any advisory board in this legislation at all. Setting that aside, why would you establish a separate advisory board, a potentially separate peer review system, if that is what they are proposing? Why on earth would the
government consider it appropriate to set up a completely separate body? But there is not one mention in this legislation of any advisory board or any separate peer review.

The bill also allows the finance minister to credit funding to the COAG reform fund for making payments to the states and territories, as long as it fits the purpose of the bill as broadly defined, as well as to corporate Commonwealth entities outside the general government sector, such as the CSIRO. And note that it is the Minister for Finance, not the Minister for Health or the Minister for Industry and Science. I am very concerned that this bill allows for the Minister for Finance to debit funds from the Medical Research Future Fund to the MRFF Health Special Account for the purpose of making grants to financial institutions for medical research. It allows, particularly, for it to be credited to corporations.

Departmental officials at Senate estimates yesterday could not provide an answer about what sort of corporations might be funded other than to reference an assumption that this is a catch-all inclusion to ensure that no potential funding recipient is excluded. So everybody is in. They were unable to give the Senate estimates committee even a definition of 'medical research' that would be funded under the scheme. Instead, we were told a yet to be appointed ministerial advisory committee that is not in the legislation will advise the government on what research could be funded under the program.

Remember, Treasurer Joe Hockey said this was the fund that he hoped would find the cure for cancer. The fund that was going to cure cancer will now, it seems, be directing money to pet projects. Designing mobile phone apps is one of the uses the fund could possibly be put to. Its priority is determined not, as promised, by the National Health and Medical Research Council but by an as yet to be appointed ministerial advisory council that is not in the legislation at all, so there is no obligation for the government to pay any attention to it. The principles on which it will make decisions are also not in the legislation, and the finance minister is able to hand out grants as he sees fit.

This is sounding awfully like what Senator Brandis has done to the Australia Council, taking the money away from independent, arms-length experts and claiming it for himself—a giant, personal arts slush fund for his favourite projects. That is simply not good enough when it comes to the health and medical research sector in this country. This is a signature policy for the government, and the governance is simply not there in the bill. The health and medical research community ought to be very concerned that these governance structures are not in place and that the government can effectively allocate money from this fund however it pleases.

Given the government's record when it comes to health, the opposition has the right to be very cynical about what this government's actual motives are. We know from Senate estimates that there is to be an advisory board of eight people providing the government with advice on what medical research and medical innovation is to be funded. There is no mention of such an advisory council or board in the bill and no explanation given as to why the NHMRC is not doing this, given that a Medical Research Endowment Account—already a special account—is already managed for that purpose.

We know from Senate estimates, too, that the Department of Health had no consultation whatsoever with the health and medical research community on the development of this bill, something I find quite astonishing. It is also of significant concern that existing funding to the NHMRC is in no way quarantined. As Department of Health officials confirmed in Senate
estimates, it will be a policy decision of government as to what the existing NHMRC funding arrangements are. So there is a very real prospect here that, as money comes into the MRFF via the massive cuts to health, money will be ripped out of the back door of the NHMRC and, instead of a boost to medical research, all we will get is an accounting transaction funded by billions of dollars of cuts to the health system.

The lack of any formal role in this legislation for the National Health and Medical Research Council in the way the bill has been drafted is something that Labor finds deeply concerning, and anybody who cares at all about health and medical research and has any integrity in this place should have concerns about it as well. At best, it is sloppy policy. At worst, it is a deeply cynical example of rank political opportunism. It is, frankly, astonishing just how little policy work has gone into developing this bill. It is a fund that is so important. If it is a fund that is to support this activity in perpetuity then it should not be kept at arm's length from the health and medical research peer review community.

This, unfortunately, is becoming something of a characteristic of this government, and what comes to mind immediately, as I said, is the decision around the arts council and this government's complete disregard for any independent oversight. If the government is to achieve its objectives, then its governance structures for this fund—not just for the investment of this fund but for the governance structures for the way in which the earnings of this fund are dispersed—must be above question. They must be, because this is health and medical research we are talking about.

It is not like road funding, and we believe there should be proper governance processes for that as well. The government has a different view, but we believe there should be, through Infrastructure Australia, proper processes for that as well. This is health and medical research. If the government wants to trash the reputation of health and medical research in this country by creating a great big fund and deciding where this is going to go to—and there are lots of voices out there about a whole raft of things that people want to develop or research—then the government has set up a fund that will exactly do that, which, of course, brings me back to the role of the National Health and Medical Research Council.

The principal reference to the NHMRC in the bill is that the government, under just one of the funds established in this bill, could possibly ask the CEO of the NHMRC to manage some of the distributions, and that is it. It does not sit with the test the government has set itself that the funding go primarily through the NHMRC. That is what the government said it would do. That is not what it is doing in this bill. It is a very important point. What is the point of having the NHMRC if it is only to be recognised in such a cursory way, almost as an oversight in this bill? If the purpose of the NHMRC is as the pre-eminent body through which health and medical research is funded in this country, why is it treated in such a shabby way by the government in this bill?

The NHMRC held its first meeting in February 1937 and became an independent statutory authority within the portfolio of the Australian government Minister for Health and Ageing operating under the National Health and Medical Research Council Act 1992. The NHMRC is already responsible for administering more than $700 million in health and medical research grants every single year. It has six principal committees, including the Australian Health Ethics Committee, Research Committee, Embryo Research Licensing Committee, Human Genetics Advisory Committee, Health Care Committee and Prevention and Community
Health Committee—eminent experts across the country who independently peer review health and medical research as part of the NHMRC functions.

So why on earth would the government be seeking to set up, not entrenched in legislation, another advisory board which the government may or may not pay any attention to, and why on earth would it set it up separate to any existing structure? Why is the government setting up an advisory board of some eight people, as we understand—no-one seems to know who they will be or what they will be doing—in secret, in essence, with no details about it all? We have no details about who the people will be, but the biggest problem is that it is not entrenched in the legislation at all. It has no official role at all.

Equally important is that Department of Health officials could not say what definition of medical research and medical innovation would be applied. It was, as I noted at the time, a policy development process that read more like a script of *The Hollowmen* than the way an adult government conducts itself. I remind people that this is how I previously reflected on the bill on the establishment. You might recall an episode of that satirical TV series where political staffers, concerned about the lack of a budget centrepiece, decide at the last minute to create a $150 billion national perpetual endowment fund to meet the nation's future challenges. 'The best part is we'll never need to specify how it'll all work,' the character of central policy unit director David Murphy declared. The similarity between the coalition's policy and *The Hollowmen* episode was also noted by Rob Sitch, one of the creators and stars of the show. Mr Sitch told a recent Melbourne Press Club event:

> When the budget came out, it was like they'd watched the show and gone, 'That's actually a really good idea.'

That is all particularly worrying when you look at the way in which this has evolved.

It is particularly worrying given that the health portfolio is supposedly responsible for advising this eight-member advisory panel that will provide the government with some advice, which it may or may not pay attention to, as to how disbursements of what, I remind people, will eventually be $1 billion a year should be invested. Equally, as I said, this is not how the fund was envisaged to work—not at all. As I already stated when the fund was announced as part of the 2014-15 budget, it was promised that 'fund earnings will be directed to medical research, primarily by boosting funding for the NHMRC'. With something as important as this, the government should not be picking winners—it is not in a position to decide what is the best health and medical research in this country—in a way that, in essence, will allow it to fund a whole raft of projects. It can fund projects through the COAG Reform Fund to states and territories. It can fund projects through the Medical Research Future Fund health special account to private companies. It can fund Commonwealth corporate entities without any say from the health and medical research sector or any peer review around whether the project it is choosing is the best.

We know there are very real challenges for health and medical research. We know there are very real challenges for the National Health and Medical Research Council as we have more and more researchers doing more and more fantastic work in this country and the pool of money becomes harder and harder to stretch across those researchers. But, if we do not have a strengthening of the NHMRC processes and if we do not have a very clear view that we must have independent, peer reviewed allocation of funding for health and medical research, we
will trash the reputation of the NHMRC and we will trash the reputation of health and medical research in this country.

As I said at the start of my remarks, the government have not undertaken any policy development work here. They announced it in the budget, did not consult anybody, did not really tell the health department, set it up in a particular way, decided they were going to do this and did not do the policy work behind it at all. Then, despite the fact that there have been months and months when they could have started to speak to the medical research community, they have not done so. Labor has. The members for Chisholm and Scullin have had almost 30 consultations with the health and medical research community. They have met with almost every health and medical research institute across the country. They have met with people who have been involved in medical research for a long period of time. They have heard about a whole raft of issues. They have looked again at the McKeon review. They have actually done the work. They have undertaken an important consultation and one that will continue to inform Labor's policy development process when it comes to health and medical research.

In the almost two years I have been shadow minister for health, I have travelled to a number of health and medical research institutes. I have been to the Garvan Institute, the Murdoch Children's Research Institute, the Westmead Millennium Institute for Medical Research, the Burnet Institute, the Victor Chang Cardiac Research Institute, the Walter and Eliza Hall Institute of Medical Research, the Hunter Medical Research Institute, the George Institute for Global Health and the South Australian Health and Medical Research Institute and spoken with hundreds of researchers doing terrific work across this country. It has been a privilege to meet with them. As we know, many of the recommendations in the McKeon review reflect what health and medical researchers have been telling us about what needs to be done to support reform in the sector as part of these consultations. But, rather than take the recommendations of McKeon and look at the totality of what is needed in health and medical research, this government has done no policy work. There is a real challenge heading right down the pathway now around what is going to happen with the employment of substantial numbers of health and medical researchers come the end of this year. Instead, this government has, in essence, set up its own private slush fund in this bill to allow it, at its own whim, to disburse large amounts of funding that have come, remember, from massive cuts to our health system.

From the moment this fund was announced, Labor have been consistent that we will always support measures to grow health and medical research in Australia but that it should not be at the expense of sick Australians. Before I get to the measures that are contributing to the fund, it is worth briefly mentioning the budget's handling of the fund itself. As Ross Gittins, The Sydney Morning Herald's economics editor, outlined, the fund is every bit as much an accounting trick as it is a medical research fund, but it is one that only students of government accounting can see. As Ross Gittins says:

The saving to the budget bottom line is immediate, though the change means this saving will be reduced a fraction by the increased spending on research.

Like many budget fiddles, this one relies on exploiting loopholes in the definition of the bottom line, the 'underlying cash deficit'.

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Indeed, the minister himself boasted of how the $20 billion Medical Research Future Fund can be counted in the budget as a savings measure to offset debt, with only net earnings being distributed for medical research. In August last year, he admitted:

Up to $20 billion of revenue generated, which under the proposal would be generated in the first six years, helps to build up a capital fund and that in itself helps to reduce government net debt as the capital fund accumulates.

And the net earnings, only the net earnings of that fund will then be reinvested into additional medical research, which in itself will help improve health services …

Returning to Ross Gittins' article, he goes on to express his concern that, over time, the government will allocate less money to the National Health and Medical Research Council, meaning the overall level of health and medical research funding will not increase at all. This is something that remains a great concern for Labor, as this government has proved it cannot be trusted on any measure, especially when it comes to health spending.

This is a government which wiped $57 billion from public hospitals and denied it was a cut. This is a government which wanted to levy a tax on every visit to the doctor and said it was about improving Medicare. This is a government which took another $600 million from crucial health programs and described it in the budget as 'rationalising and streamlining'. So, forgive us if we remain suspicious of this government's consistent refusal to rule out simply using this fund as a means of shifting the existing funding for medical research. Having learnt nothing from the experience of announcing this policy without consultation, the government has still not consulted the health and medical research community in developing the MRFF, which is why the opposition have some serious concerns about the way the government intends to establish it.

In terms of the funding in this bill, according to the budget papers the MRFF will have a cumulative balance of $3.4 billion this year, $5.7 billion in 2016-17, $9.3 billion in 2017-18, and $14.3 billion in 2018-19. But we know that these figures cannot actually be relied on, and it is quite duplicitous of the government to be making these promises to the medical research community when the government itself knows that the figures cannot be relied on.

We know $1.3 billion of the capital going to this fund is from the pharmaceutical benefits hike to the price of medicines that, whilst it passed this House, will not pass the Senate. The government knows this measure does not have the support of the parliament. And the government is trying to have it both ways on the MBS indexation freeze. This is a cut of more than $2 billion from Medicare over this budget that will have a serious impact on bulk-billing rates, out-of-pocket costs and the level of access vulnerable patients have to general practitioners. We know from analysis published in the Medical Journal of Australia that it is in fact a GP tax of some $8 plus that the government has put in the budget by stealth. Of course, funds from this measure will be put into the Medical Research Future Fund. It also includes the massive cuts to public hospitals, and we know that other cuts in the government's 2014 budget—again, many of them to the not-for-profit sector—will as well.

If the government do truly believe in health and medical research, it begs the question why, in this budget, they have cut $2 billion out of health, again, and some of it in an incredibly petty way when you look at the cut to support for those with inborn errors of metabolism. They have not allocated any of that to the Medical Research Future Fund. We know from
Senate estimates that all that is in fact going to other health priorities—in other words, the government is going to make a range of announcements around that.

The government have also included in this bill the transfer of the remaining $1 billion in the Health and Hospitals Fund. This is not something Labor will support. We think it is important that that money remain available in a fund to enable better health services and funding of other parts of the sector, so we will certainly be talking bit more about that. As I said at the outset, Labor are very strong supporter of medical research. We proved that in government. We committed large amounts of money to health and medical research, including building large medical research institutes across this country.

This bill does not meet the government’s own test of good governance and it does not reflect the expectation that the funds would primarily be going to the NHMRC. With that, I move:

That all the words after "That" be omitted with a view to substituting the following words: "while not declining to give the bill a second reading, the House notes the bill:

(1) does not achieve the objectives the government itself has set;
(2) relies on cuts to vital health programs; and
(3) does not define medical research and innovation in the way in which the government has itself described it."

The DEPUTY SPEAKER (Mr Randall): Is the amendment seconded?

Ms Macklin: I second the amendment and reserve my right to speak.

The DEPUTY SPEAKER: The original question was that this bill be now read a second time. To this the honourable member for Ballarat has moved as an amendment that all words after 'That' be omitted with a view to substituting other words. The question now is that the amendment be agreed to.

Ms SCOTT (Lindsay) (10:13): I rise in support of the Medical Research Future Fund Bill 2015. This is a bill that provides opportunity for all Australians. This is a bill that looks to the future health of all Australians and celebrates the inventiveness and ingenuity of Australian researchers.

For too long, regions like Western Sydney have been forgotten; regions like Western Sydney have been underestimated. With this bill for a $20 million medical research fund, along with the infrastructure plan, we will see coming together a Western Sydney innovation corridor stretching from the Hawkesbury agripark to the north-west growth sector to Sydney IQ, which forms part of the medical research health and education precinct in Lindsay, my own electorate. The Sydney IQ park will have 6,000 jobs in health and education and research in this exact region. At the Sydney Science Park in Luddenham that I have spoken about many times in this House, there will be 12,200 jobs and 10,000 research positions. This is a very exciting project. Yes, there will be agribusiness in this facility; but this facility looks at all sorts of health and education projects—computing, engineering, mathematics, geotechnical water and environmental engineering research projects, medicine, medical devices and allied health expertise—and includes an institute for society, culture and economies, a school of social science and psychology, and the urban research centre and related projects. That is just the UWS contribution to the Science Park project by the EJ Cooper Group. Over and above
the value of the real estate, they will be investing $2.5 billion to create 12,000 jobs in science, education and medical research. That is exciting news. That is wonderful news.

When we look right across this region, we have Oran Park, the fastest growing city centre in Australia. The University of Sydney Camden Campus also looks at more projects in exactly this space. Then we get down to the integrated health hub. The integrated health hub is in Campbelltown, and I am sure the member for Macarthur will touch on this later.

These projects with the University of Western Sydney, where they have signed a memorandum of understanding with the Beijing University of Chinese Medicine—together with great universities such Sydney University, and the University of Western Sydney—will start looking at ways of providing the clinical trials for Chinese medicines. This is groundbreaking research that is taking place in Western Sydney and starting to form. Those opposite want to cut it off at the knees. They do not want to see these sorts of things sprout. They do not want to see the infrastructure investment to create jobs and research and to create future industries for our country.

For too long the very future of this country's $1 billion clinical research industry has been put at risk through funding uncertainties, with many programs operating under a year by year funding model. Through the last decade we have seen the number of clinical trials being conducted in Australia fall. In 2013, Professor Brendan Crabb of the Association of Australian Medical Research Institutes said:

Falling success rates on medical research grants will eventually reach breaking point and start seriously discouraging young researchers from sticking to their career.

In fact, for many working in the research sphere, plan Bs—other jobs—are essential, just in case. To quote Dr Tim Nielson PhD, biochemist and media commentator:

Australian scientists are some truly remarkable individuals. Their tireless work pushes back the frontiers of knowledge daily to eradicate disease and eliminate human suffering worldwide. Every time one quits to become an accountant, we potentially lose a cure for AIDS or cancer.

I am proud to be part of a government that understands these concerns and that is prepared to turn almost a decade of neglect around by giving certainty to this sector. This government is delivering a Medical Research Fund worth $20 billion by 2019-20. This is truly a game changer for our country.

The University of Western Sydney, which is in my electorate of Lindsay, is now ranked in the top 100 universities under 50 years of age. This is a smart, young and innovative institution focused on outcomes and striving for research excellence. It is being awarded internationally for its work. The standard of research from the University of Western Sydney is continuing to lift higher and higher, and it is now higher than the average leading institutions right around the world. It makes sense for other smart global universities, research institutions and organisations to partner with a fine institution like the University of Western Sydney. As a result, the university has now lifted the lid and is looking to the future and the projects they can engage in.

Some of the projects that they have underway today include the work being conducted by Professor Annemarie Hennessy, the Dean of the UWS School of Medicine. She is currently working on groundbreaking research that seeks to understand the basis of dangerously high blood pressure known as pre-eclampsia, which is seen in some pregnant women. Also, work
This government is focused on the best and brightest Australian medical researchers and for them to remain at the forefront of developing treatments and cures that will improve the lives of all Australians and millions, perhaps billions, of people right around the world. This government wants to provide the sector with clarity and certainty, and encourage people to stay within it. In the words of the University of Western Sydney's vice-chancellor, Professor Barney Glover, 'The Future Fund will enable the University of Western Sydney and our peer institutions to considerably upscale our research capacity and collaborations in health and medically aligned fields of direct benefit to the region and further afield.' The fund will act as a much needed complement to the university's large-scale investments in health and medical teaching and research infrastructure from our Campbelltown and Westmead campuses, with additional research being added to locations like Penrith, which is in the Lindsay.

This bill sends precisely the right message to investors and the global community. It sends the right message to supporters and participants in medical research, both domestically and internationally. It demonstrates Australia's commitment to being a leading contributor to the clinical area of research and innovation for decades to come. Professor Barney Glover has been a trailblazer in many ways in driving UWS forward. This government is absolutely focused on delivering this bill, in delivering the $20 billion for the medical research fund. This legislation will create the biggest endowment fund of its kind in the world. This fund will help to ensure Australia continues to advance world leading medical research projects, attain first-class researchers and ultimately deliver improved health and medical outcomes for all Australians. This opportunity lies in the hands of this parliament.

This bill will support an initial contribution of $1 billion from the uncommitted balance of the Health and Hospitals Fund, then further savings will see money allocated to build up the capital target level of $20 billion projected for 2019-20. This financial year will see the first $10 million in additional medical research funding distributed. That will reach over $40 million, as estimated, for distribution over the next four years. Most importantly, this funding is in addition to the government's existing budget for direct medical research of around $3.4 billion over the next four years. On the management side, this fund will be managed by the Future Fund Board of Guardians, which has a proven track record in managing investment portfolios on behalf of the government and maximising returns over the long term. For determining grant recipients, the government will separately establish an expert advisory board to provide advice on medical research strategies and priorities to inform how annual distributions from the medical research fund are to be spent.
This is a well thought through policy that delivers and grows on our commitment to the medical research sector. This is a vital investment. It is an investment that is needed today for the medicines that will cure the illnesses of tomorrow. This is not only an investment in the sector; this is an investment in Australia, an investment in future health. It is an investment in our country and in all of humankind. I am proud to stand in support of this bill. I am proud to stand in support of a bill that will help make my part of Australia, my part of Western Sydney, a wonderful vision for well into the future. I am proud to commend the bill to the House.

Mr STEPHEN JONES (Throsby) (10:25): Finally the parliament has before it, after a delay of more than one year, a bill which will establish the Medical Research Future Fund. The fund was supposed to be operational by 1 July this year, and clearly that will not be the case. The delay in bringing the bill before the parliament is a demonstration of the chaos, confusion and misdirection that has been at the heart of the government's approach to health policy. We know from the evidence produced at budget estimates last year that the genesis of this fund and this bill was a thought bubble designed as a smother for the government's $57 billion worth of cuts to hospital and health funding in the last budget. It has subsequently become a victim of the government's hapless and botched attempts to reform the health system by attacking Medicare and introducing a GP tax, and as a consequence of all this the bill has had a tortuous entry into this place—and it may yet have a tortuous pathway to the Senate. I support the amendment moved by the member for Ballarat. If it is agreed to, it will give this bill and the research facility it proposes to fund a chance of surviving in the manner in which it was intended.

Good policy arises from a good idea but it requires that that good idea be subject to careful scrutiny, weighing up both the costs and the benefits of the proposal and importantly going through a process of consultation and reflection. This bill suffers from the lack of a careful deliberative process. There is a good idea at the heart of this bill—let me be very clear about that. It is an idea supported by all Labor members in this place. Unfortunately, that good idea—the establishment of a perpetual fund for health and medical research—is crippled by two major fatal. The first of those flaws, which has been identified by the member for Ballarat, is that it is taxing and cutting from the sick today to fund treatments for the future. That is the first fatal flaw at the heart of this bill. The second flaw is that the government proposed to establish a medical research fund—they promised to establish a medical research fund—modelled on the principles of the NHMRC. They promised a medical research fund but the bill delivers a ministerial slush fund. It has none of the checks and balances built into the National Health and Medical Research Council, and unless those flaws are dealt with we are going to be delivering not a medical research fund—with all the checks and balances, peer review, scientific assessment, merit-based application and approval for funding—but a ministerial slush fund run by ministerial discretion. I will have more to say about that.

As the member for Wakefield, who is with me in the chamber, knows, Labor has been a big supporter of medical research. Indeed, in our last term of government we delivered over $3.5 billion in health and medical research funding. This included over $700 million to build and upgrade health and medical research facilities right around the country. We also commissioned the McKeon strategic review into health and medical research to set up a 10-year strategic view about what we needed to do to improve the levels of public and private investment in medical and health research. The review made it very clear that a levy like the
Abbott government's proposed GP tax is not the ideal or, indeed, the preferred model on which to fund a medical research endowment fund such as is proposed. That is probably why many in the medical and health research community have had such severe misgivings about the government's proposal. They, like Labor, support the establishment of a national endowment fund for medical and health research. But they are deeply concerned about the proposition, as was the McKeon strategic review, to tax the people who are sick today to fund the treatments of the future. What the government has set out to do from the very beginning is to fund medical research on the basis of taxing and withdrawing funds from the people who need it today to fund treatments in the future.

It was George Bernard Shaw who famously said:
A government that robs Peter to pay Paul can always depend on the support of Paul.

But we stand here today to draw attention to the problems of robbing Peter. I want to put on the record some of the cuts that have been made to support funds going into the health and medical research fund. More than half a billion dollars has been cut from public dental health programs. Billions of dollars has been cut from public hospital funding. Almost $400 million has been cut from preventive health programs. It is absolutely scandalous that $160 million has been cut from Aboriginal and Torres Strait Islander health programs. Hundreds of millions of dollars has been cut from the health flexible funds that are supporting vital drug and alcohol rehabilitation services, important preventive health services and important work undertaken by organisations like the Heart Foundation, the Cancer Council, the Consumer Health Forum, the Public Health Association and countless other organisations.

We have also had cuts to veterans' dental and allied health programs, to the Healthy Kids Check program, to electronic record funding and to the Pharmaceutical Benefits Scheme. This includes a proposal that is still before the Senate—members of the government are demanding, as we speak, that the Labor opposition pass it through the Senate—which would see a cost increase of $5 for all general patients and 80c for concessional patients for drugs listed on the Pharmaceutical Benefits Scheme. They are demanding that we pass these bills in the Senate. At the same, they are bragging that they have locked up an agreement with the pharmacies which is going to cost the government less in terms of the PBS bill. So they are paying the pharmaceutical companies less, but charging the Australian consumer more, for goods listed on the PBS.

Wherever you look—from preventive health programs, to Aboriginal and Torres Strait Islander health programs and health and hospital funding to the states—there is evidence of the government robbing Peter to pay Paul and then saying we have got to back them on this. Labor will not support this. We will not support an unconscionable attempt to round up the health and scientific research community, put them in a headlock and say, 'Unless you support these egregious attacks on health and hospital funding in this country, you're not going to get the much-needed medical research that you all desire.' Labor, which stands on its record of over $3 billion worth of investment in medical research, says medical research should be funded to improve Australians' health. The government sees the reverse—that Australia's health budget should be cut to fund medical research.

I want to say something about the second fatal flaw. I describe this fund as having the potential to be a ministerial slush fund. Some might say this is a bit harsh, a bit uncharitable. But let me explain why. When the government announced this with all the fanfare back in
May 2014, we were told that the Medical Research Future Fund earnings would be directed to medical research, primarily by boosting funding for the National Health and Medical Research Council.

With all the misgivings I have already laid out about the funding of this fund and the source of those funds, a proposition based on that could enjoy our support because we know the basis on which funds are distributed by the National Health and Medical Research Council. It is at arm's length from government. It is a process which is overseen by the medical and scientific research community. Applications are carefully weighed on their merit through a tortuous process—some would argue too tortuous. There is a rigorous scientific process of assessment for all of the applications that go to the NHMRC. If the government were proposing that this fund would just act as a new source of finance for the NHMRC, we would have misgivings about the way they were funding it. But we would be totally on board with the way they propose to distribute these funds. This would be through a peer reviewed, rigorous, scientific, arms-length process that does not have the government or a minister—and we have seen some pretty ordinary health ministers in this parliament—handing out so-called research funds to pet projects in marginal seats. We have heard all sorts of contributions in this parliament and in previous parliaments which, if characterised in the right way, might be able to be dressed up as a health concern warranting further research. I congratulate the government and the NHMRC for the excellent work they have done in exposing the pseudo science the lies behind the alleged health practice of homeopathy.

Mr Champion: Does't that work?

Mr STEPHEN JONES: Member for Wakefield, we know that no science lies behind homeopathy. The NHMRC has looked at this and has said there should be no government support for this alleged health practice. We can just imagine if a well-organised group got behind a member in a particular seat and put a proposition to a minister about the sorts of pressures that could be brought to bear on a minister to fund perhaps research, to gainsay the claims that are being made about homeopathy. Everything from fluoride research to people like the current Treasurer, who quivers every time he drives past Lake George and sees windmills on the horizon. Are these the sorts of projects that the fund is going to fund? Some might say I am using extreme or alarmist examples but I use this as a mechanism to point out the second fatal flaw at the heart of this bill. It is not putting in place an arm's-length process which enables research funds to be distributed on the basis of their scientific merit as approved and assessed by scientific piers. Yes the national interest should always be brought to bear but it should exist at arm's length from government.

The member for Ballarat has moved some important amendments to the bill before the House today. I support them. I know in his contribution the member for Wakefield will be supporting them and indeed all Labor members of the House will be supporting the propositions. We do so saying yes, of course, we support the excellent research being done by our national health and scientific institutions such as the Garvan Institute, which I visited recently, which is doing world-leading research in gene mapping and the therapies and science that can be brought to bear in that area. I have mentioned only one or two. There are numerous world-class research institutes. They deserve— (Time expired)

Mr VARVARIS (Barton) (10:40): It gives me great pleasure to speak on the Medical Research Future Fund Bill 2015. As the federal member for Barton, I thoroughly welcome the
prospect of the Medical Research Future Fund as I know it will have an enormous, positive impact on the St George community. This bill is very much needed in this nation. Should the bill be passed, it will provide an enormous boost to our nation's medical research institutes and allow the best and brightest of our medical researchers to find the needed cures for diseases. Not only will it boost research in Australia but also it will foster growth in this area that is desperately needed not only for our citizens but also for millions of others around the world.

As a nation, we may be an island the furthest away from other First World nations, but we have proven time and again that we have the capacity to achieve amazing milestones that is the envy of the world. We are the nation that invented Wi-Fi, Aerogard, polymer banknotes, extended-wear soft contact lenses, and Relenza—a broad-spectrum flu drug that is the best in the world. Innovation and knowledge is what drives research and development in Australia and we believe nothing is off limits. That is why this side of the House is absolutely committed to ensuring our research foundations and institutes are provided the resources to enrich our communities' health care.

We have reached a critical time in society where our rapidly ageing population is living longer but not always healthier. Many diseases such as cancer, dementia and heart disease are on the rise, often causing a deterioration of the quality of life for those affected. Without mentioning the sheer cost this means to our health services and sector, essentially it means that people are often spending the better part of their lives riddled with disease, suffering and in pain, where they should be enjoying life with family or doing activities they enjoy. While it is important that we have a robust healthcare system to look after those who need it, it must also be met with research so that we can put a stop to diseases and ailments, particularly those which may be preventable.

This side of the House is ensuring the best and brightest of Australian medical researchers remain at the forefront of developing cures which will actively improve the lives of Australians. I know that in Barton this is a priority concern for my residents, many of whom are ageing and want to live out their retirement doing the things they love, whether spending time with family, catching up with friends, playing lawn bowls or social group activities, as opposed to stays in hospital and never-ending visits to doctors. Establishing the Medical Research Future Fund, starting on 1 August this year, will create the biggest endowment fund of this type in the world. It will allow for a systematic funding model that will ensure we continue to foster renowned medical research and development projects and attract and retain the best and brightest in the medical field, so that we can provide Australians with the treatments and cures needed.

This bill will ensure the fund can receive an initial contribution of $1 billion from the Health and Hospitals Fund. From 2015-16, the net earnings from the fund will provide a permanent revenue stream, mainly to the National Health and Medical Research Council. In addition, the estimated value of savings from the Health portfolio will be contributed until the fund reaches a target capital level of $20 billion, projected to be in 2019-20. The fund will distribute around $1 billion a year into medical research from 2022-23. This is an extraordinary achievement for our medical research sector, and I would hope that both sides of the House join together in ensuring this can pass so it can commence on 1 August this year.
As I mentioned earlier, in my electorate of Barton medical research and health care is a top priority for many of my constituents. Whilst we have excellent facilities in the St George region—including St George Hospital, St George Private Hospital and Calvary Hospital, which actively service those in the southern suburbs of Sydney, and provide vital health care in the aftermath of injury, disease or ailment—the St George & Sutherland Medical Research Foundation cannot be overlooked with regard to their vital contributions. I have had the pleasure of having met Peter Christopher, the chief executive officer, many times in the past to discuss how we can work together to deliver the needs of the community. Peter oversees the operations of the research foundation to raise funds and increase awareness of the vital work of medical researchers at the St George and Sutherland hospitals.

Recently, Peter and I had the great pleasure of meeting with the Minister for Health, the Hon. Sussan Ley, in my Barton office, who listened to the key members of the foundation tell what they have achieved and what plans they have to accomplish even more in the area of medical research. Of course, their visions cannot be turned into reality without funding.

One of those visions includes a plan for a national centre for research into ageing and chronic care in the St George and Sutherland shire. This will be the first of its kind in Australia, and, importantly, this is the right place for integrated care, because the region has an ageing population, and 30 per cent of those at St George Hospital receiving treatment are in the ageing category, and the core focus of this centre would be research into healthy ageing. Furthermore, this aligns with the federal government's release of its Intergenerational report, which addresses the issue of an ageing population and the implications for the cost of health care.

The chair of the foundation, Professor John Edmonds, has also indicated that he wants the St George region to be at the forefront of research into integrated health care, which works towards keeping people out of hospital and cared for in their homes. Currently, an integrated care program exists in the shire and has achieved outstanding results. Whilst the centre is based locally, it will have national benefits. I support the foundation because research will raise the bar at our hospitals. It will increase national benchmarks that affect all Australians. The region should have the best medical care and facilities available to it, and the plans for the centre are vital for this to happen.

The foundation was created in 2007 after an active group of senior doctors at St George Hospital decided to establish an independent body for the purposes of funding and promoting the medical research community. After both the local community and St George Bank pitched in to assist, the body transformed from a dream to a reality.

The St George & Sutherland Medical Research Foundation consists of a board with senior medical staff and business leaders, and the Scientific Advisory Committee, and nurtures active collaboration between the St George and Sutherland hospitals. I want to draw attention to this collaboration, which is unique and vital to the achievements of the foundation. The collaboration between the research institute and the hospitals has actively fostered a growing research culture that contributes consistently to improved clinical outcomes.

With such positive research and results, the foundation itself was able to provide grants for research between 2007 and 2013, something that community partnerships with St George Bank and Ramsay Health Care have allowed. Some of the research areas include immunology, infectious disease and sexual health, colonic motility, appendicitis and intestinal...
inflammation, gastrointestinal cancer and so forth. These are just some of the studies the foundation has undertaken, through its specialists, as part of their vision for a healthier future for all Australians.

The Medical Research Future Fund is a solid investment into facilities such as the foundation which will be managed by the Future Fund Board of Guardians, so that there can be maximised returns over the long term. This is important, as the future of our medical researchers is about ensuring funding is available to support their work.

Today's bill ensures that the Medical Research Future Fund will be established as a dedicated investment channel that provides a secure revenue stream to be used for medical research and medical innovation. By allowing for a secure revenue stream, institutes like the medical research foundation will have opportunities to secure additional funding for current and future projects, and this means that they will be one step closer to finding the cures and treatments for diseases that affect so many Australians.

The establishment of the research future fund provides a much-needed gateway for other research institutes and foundations to plan for medical research and development—foundations like the Gynaecological Cancer Foundation, whose launch I attended last week. This reaffirms why this bill today is so vital. Every two hours in Australia, a woman is diagnosed with gynaecological cancer. Statistics of this kind are unacceptable, given that we have progressed so much in our nation. Yet we have been unable to find a definitive cure to date, with many women being made aware of the cancer spreading through their body only once it is too late. Again, funding for medical research is what is needed for key breakthroughs, so that women have the opportunity to detect warning signs early on. Currently, women often mistake symptoms of gynaecological cancer for something thought to be less significant, or symptoms evade current forms of blood testing. The foundation, which normally relies on private and corporate donations, now has an opportunity through the fund to allow for increased levels of medical research.

Today's bill is an important turning point in our nation. The bill is about providing for constructive methods and strategies by which money can be raised and distributed for this vital sector that helps save lives through treatments and cures. Without a secure revenue stream, we cannot continue the calibre of medical research taking place in Australia, and the health of our citizens will worsen.

We must ensure that the best and brightest talents in medical research will continue to remain in Australia. We must reward innovation and knowledge with appropriate allocation of resources so that the vital role they play in our health sector continues.

Medical research underpins the health system of our future, and without an appropriate revenue stream we cannot fund new research or add to existing research. The Medical Research Future Fund will ensure that we keep our promise when it comes to maintaining health investment while delivering a sustainable health scheme into the future.

We want to ensure that people who are living for longer are doing so with good quality of life, not spending their later years in hospitals or housebound. The Medical Research Future Fund Bill is a measured step in providing for the future of medical research in Australia. It will ensure we retain the best talent in the industry and find key breakthroughs in diseases and ailments that affect so many Australians. I commend this bill to the House.
Mr CHAMPION (Wakefield) (10:52): I suppose it is a sad indictment on this government that they have taken what is a bipartisan issue—medical research, something that enjoyed broad support in the community; how could it not, given all the important things that are done by our research community and the outstanding breakthroughs that they make and the hard work that they do, that we all benefit from?—but have presented a bill to the House which, sadly, after their 2014 budget, turns this issue somewhat into a partisan one. The first way they did that, as the member for Throsby said, was by robbing Peter to pay Paul. That is, they are cutting from sick people today to fund research into the future. And we know how they were cutting, because this fund was originally linked to the first iteration of the GP tax, which was a $7 co-payment, not just when you visited the doctor but when you got a blood test, when you got a scan or when you returned to the doctor. And, as I have said to the House many times before, the people who were most at risk of that $7 GP tax were people with asthma, diabetes or some other chronic health condition. I have had asthma, so I know just how desperate a problem that can be. But if you do not go to see your GP you will only make that chronic condition worse. So, we saw the $7 co-payment morph into four different variations of that, until we got to the current iteration of that co-payment. And now, as described in the *Sydney Morning Herald*, on page 13:

'Co-payment by stealth' could push up costs of GP trips, says Owler

That article outlines Professor Brian Owler talking about how the cuts to Medicare rebates to doctors were going to implement a co-payment by stealth.

We know what the original co-payment would have done. It would have stopped a million visits to the doctor in its first year of operation and half a million visits the year after. In Senate estimates this week it was revealed that no modelling had been done on a cut of Medicare rebates to GPs, no modelling had been done about the effect that would have on people going to the doctor. That can have very serious consequences for health care in our community—in particular, for people with chronic conditions—and it will only cost the community more, in higher hospital costs, because if you are asthmatic and you do not see your GP enough you will end up in an emergency department. That is the worst-case scenario. And if you are diabetic and you do not see the GP enough, and even if you do not see a podiatrist enough, you can end up with very serious health implications, including amputation of limbs.

We know that primary care, which of course begins with our relationship with our general practitioner, is essential to a well-run health system. So, we know that many of the savings that are going into this fund are funded in a regressive way in terms of our health care—regressive for the consumers and regressive for the system in that we will see higher impacts on hospital costs later on. The problem with this is that they are not just cutting from the primary end. We had $57 billion worth of cuts to our health and education systems in the last budget. We had an additional $2 billion taken out of health in this budget, including from things like the Child Dental Benefits Schedule and from preventive health, including drug and alcohol counselling—which is odd for a government that is running ads about the ice epidemic and has backbenchers going out into the community holding forums about the ice epidemic. It is odd to then cut drug and alcohol counselling and drug and alcohol services in the community. We know these cuts are going on, and we know their impact will be felt today, tomorrow, next month and next year, compounding cuts as the capacity of health
services in the community to respond to these very serious challenges is reduced. Once those networks and workers and community services disperse, it is very hard and very costly to put them back together. So, these cuts are a particularly stupid way of going about things.

We all support medical research. As the member for Throsby said, we put over $3 billion into it, and we largely operated within the framework of the NHMRC, which governments previously have done. I cannot remember it being an issue of controversy in my entire time in this parliament. I am sure that the Howard government, for all its sins, was entirely uncontroversial in this area as well. It was broadly an area of bipartisanship. Yet here we have no attempt to reach across the aisle and, importantly, no attempt to consult with the medical research community. And the announcement of this fund and of the way they were funding it came out of the blue. So I think there is an issue of consultation and productivity in the setting up of this fund. It was supposed to be set up by 1 January this year, and now we have backbenchers earnestly asking us about it, hoping it will begin by 1 August, hoping that this bill will pass the House. Yet in last year's budget this bill was meant to be in operation. The legislation was meant to be passed, and this fund was meant to be in operation by 1 January this year. So, there is an issue of productivity and the intentions of this government in putting together this fund. Even if you push aside the manner of funding it—the cuts, the GP tax—and say, 'We're setting up this fund,' there is the issue of the consultation they had before the time with members of the council and with other medical research organisations. As well as the issue of consultation, there is the productivity of actually getting the fund set up. That is a very important issue for us to consider.

The second issue that we have really got to think about is the issue of accounting: why have they set up this fund in the way they have? Ross Gittins has pointed out that one of the aspects of this fund is that it is a saving to the budget bottom line. This is what he is quoted as saying:

The saving to the budget bottom line is immediate, though the change means the saving will be reduced by a fraction by the increased spending on research. Like many budget fiddles, this one relies on exploiting loopholes in the definition of the bottom line, the 'underlying cash deficit'.

One of the attractions of this fund that the government does not talk about is that it improves their budget bottom line. It takes a whole lot of money out of health and puts it in a locked box—which is of benefit to the budget but, at least initially, it is not of great benefit to researchers. One of the savings of this fund comes from taking a billion dollars out of the health and hospitals fund and rolling it into this medical research fund. That health and hospitals fund was set up to fund health and hospitals, not research, and we have got the rolling of a billion dollars into that fund.

Another concern we have with this bill revolves around accountability and oversight. It is an important consideration because we know that there is anxiety in the community and, I think, in the medical research community about the architecture and infrastructure around medical research. Professor Warwick Anderson, a former CEO of the National Health and Medical Research Council, said on 15 April of this year about the fund:

I think the researchers out there and in the audience today have to keep an eye on this so the public benefit from this big investment, and the public will benefit best if the public disbursement is peer reviewed.
That is a very, very important consideration. We know that we have had this infrastructure, the NHMRC, disbursing some $700 million in grants every year. They have six principal committees: a health and ethics committee; a research committee; an embryo research licensing committee; a human genetics advisory committee; a health care committee; and a prevention and community health committee. We know they have already got an infrastructure set up to disburse funds which is trusted by this House, trusted by governments and, most importantly, trusted by the community. That is important because we do not want this fund of $20 billion left to the vagaries of a minister, a backbench or political concerns. We might not get the nightmare scenario the member for Throsby spoke of, but we might just have the normal operation of politics being applied: lobby groups, interest groups and the media. Sometimes this is a good thing for the House. Sometimes it focuses our minds on areas of public concern. But sometimes that means where you get the best return for your money might not be where the public concern is or it might not be in the area of most pressing need. Public perceptions are often different from the real, or evidence based, priorities, so we have to be very, very careful about that. One of the things about having this infrastructure, the National Health and Medical Research Council, is that it applies peer review, science and rigour to the way we consider these things. And it is trusted.

These are the reasons for our amendments and the cause of our concerns. As I said before, we do not support the way this government has gone about funding this fund—with a GP tax of $7 every time you go to a GP, every time you go for a scan, every time you go for a blood test. That still remains their intention, make no mistake about it; they just could not get it through the other place. So what the government have resorted to is a brutal cut to the Medicare rebates for GPs—and we will see the consequences of that—even though they have not had the courage to model that.

Mr Frydenberg: You would have loved to have had the idea of a medical research fund!

Mr CHAMPION: Labor has rejected GP taxes and co-payments before, Assistant Treasurer. We certainly reject the cuts to health, to hospitals, to doctors and to nurses in the community. How could cutting into primary care, cutting into GPs—stopping asthmatics, diabetics and people with chronic diseases from going to their GP—possibly be sensible? It is a silly thing to do, because they end up in hospitals—and this government has cut hospitals as well. The manner of funding this fund has been manifestly unfair. Whatever good can come from this fund—and we hope a lot of good does come from it—will be mired in the misfortune of other people who are losing out on their health care today.

Mr BROAD (Mallee) (11:06): The very nature of being human is that we are finite, and one of the consequences of that is that we do suffer from illness and only have a limited time here on earth. But if there is one thing through which the human race has enhanced itself and expanded its life opportunities, it is medical research; it has been as a result of learning from great scientists, great researchers. Many of those researchers do so because of a belief in how they are contributing to humanity not because of money that they get from doing the research.

I think back to Australia's contribution to medical research. We are but a small population of 21 million people in a massive world of, I believe, seven billion people. There have been many great things that Australians have done because Australians, by their very nature, are innovative. There used to be a saying: 'Give an Australian a piece of fencing wire and they can fix anything', and that is good. I think about the great discovery of penicillin. We take it...
for granted that we can actually sew up the wound and then provide penicillin so that that person can recover. There are things that people would have traditionally died from had it not been for the Australian who discovered penicillin. We simply would not have seen people live who would otherwise have died. There is also the bionic ear, and burns specialists where we have seen great doctors who have worked on burns, and there is also the recent announcement about melanoma treatment.

We do need a fund. We do need to give some surety to those who are considering research in Australia that there is hypothecated money set aside. It is true that bipartisanship exists in this parliament to put money out of every year's budget into research. No-one is talking about that going away. The attraction of having a fund affords us the opportunity to be able to say with real legitimacy to a researcher, 'You can continue your research in Australia. You can continue to expand something that you think might be on the cusp of discovery, and you can develop it here'. So many times one of the great criticisms of Australian research in many fields of science, in many fields of technology, is that we have not had the mechanism to keep that research in Australia, and we have seen that research go offshore. That is sometimes okay. It is okay if the research goes offshore and still benefits the human race. But it wouldn't be nice to see that the ingenuity of Australians is well rewarded and that there is surety for them to stay here and invest through medical research because we have a hypothecated fund that will be as much as $20 billion which we can put aside to assist medical research.

In my electorate one of the things that is raised with me is Parkinson's. There is no cure for Parkinson's. We have a Parkinson's support nurse and we have a very active Parkinson's group, but there is no cure for it. Multiple sclerosis is another insidious disease where people can have a fast or slow deterioration, and we still do not know how we can minimise that. Type 1 diabetes of our children has been raised with me several times and how much type 1 diabetes impacts a family when a young child gets it. There is a diabetes support group in Birchip, a little country town, and the people are really muscled together and stand by one another to support one another through that disease. If we could have more research perhaps, just perhaps, we can minimise the effect on those families and on those young children.

We have come a long way. I remember doing biology in year 12 back in 1993—I am showing my age—and we watched a video on open heart surgery, bypass surgery. I remember thinking that it was incredible. Here was the bypass surgery, which was very much in the early days, and expectancy of life and survivability after that was a little bit rare. Now, when I look at my family, I have a dad who has what he calls the 'zipper' on his chest, and he has had a three-way bypass. Now they just wheel them in, and the surgery adds years and years of productive capacity and years and years of life expectancy. We have come so far.

We can argue every day about how we fund the research, and there were some suggestions in the previous budget that were unpopular with the Australian people, and we have removed those suggestions. That is what a government does if a government listens. The most important thing is that we do believe that the health of Australians is important. I think everyone in this parliament from both sides believe that. We do believe that medical research and those researchers who conduct that research do it out of a sense of passion not out of a sense of financial reward. We do believe that we need to stand by them and create an incentive to attract that research into Australia.
I was really proud to see a Medical Research Future Fund being announced by our side whilst we are in government. In many years to come, when we are retired from the parliament and are back in the workforce or back into whatever we do, we will look back and say this is something we were proud that we set up and that it will reap long-term yields and benefits for the Australian people. Those who spoke about some of the concerns about the fund will say, 'Well, on balance, it actually was a good reform'. So this is a really good thing for the Australian people. I am proud to be able to speak on it this morning, and I commend the parliament for bringing this up and look forward to the health benefits that will come out of this fund.

Mr NEUMANN (Blair) (11:14): I rise to speak on the Medical Research Future Fund Bill 2015 and related bill. You will see a difference between the contributions on this side of the chamber and those on the government side of the chamber during this debate. On the government side of the chamber they will talk in glowing terms and platitudes about how wonderful medical research is. And who can deny that? It is a very good thing. Labor in government invested a record amount of money in medical research. On this side of the chamber we will agree with them in relation to that. But on this side of the chamber we will criticise the process by which this legislation came to this place and we will criticise what they are actually establishing and how it will operate—so there will be no forensic or detailed speeches in relation to what this fund will look like and how it will eventually be carried into effect—as the shadow health spokesperson, the shadow assistant health spokesperson and the shadow parliamentary secretary did, and as I will do now.

When this particular bill was conceived, I have to say it resembled something you might see in a conversation between Jim Hacker and Sir Humphrey Appleby in a Yes Minister episode, or, indeed, something you could imagine in the bowels of the Prime Minister's policy and media unit in the episodes of The Hollowmen. I am really worrying and wondering if any government spokesperson or member will actually use the phrase 'future-proofing medical research', as we heard in that infamous episode of The Hollowmen. When this fund was announced it caught just about everyone off guard. Even the Commonwealth Chief Scientist, Professor Ian Chubb, told the ABC that the government had not even bothered to consult him beforehand. If the government spent months laying the groundwork for what the Treasurer would describe as the biggest medical research endowment fund in the world, you would imagine he would have consulted his own Chief Scientist. But, no, they did not have a science minister at the time in the government, and they must have misplaced to the Chief Scientist's telephone number, or even his mobile number. The reality is the government has not spent any time planning for its Medical Research Future Fund. It had not consulted stakeholders. Apparently it was kept inside the bowels of the government and it would seem that the fund was cooked up in Treasury and Finance without the input of the Department of Health, and certainly without the input of the NHMRC or any other important stakeholders who you would think had some interest in medical research.

It was announced in the 2014-15 budget to detract from the cavalcade of cuts and broken promises that that particular budget perpetrated upon the Australian public and our health system. The government was amazed that there was a lukewarm reaction to the billions of dollars it said it would put into this future fund, because what they did was slash funding for public hospitals, cut $400 million from preventative health funding, cut about $165 million
from Indigenous health funding, cut half a billion dollars from the public dental programs and also made cuts to drug and alcohol rehabilitation services. Curiously, after I leave this chamber I am going to a House of Representatives committee meeting on Indigenous affairs for an inquiry that looks into the harmful effects of alcohol in Indigenous communities. And yet, they cut that funding from Indigenous health programs and they cut the funding for drug and alcohol rehabilitation services.

Any residual enthusiasm for the fund evaporated immediately when people realised the impact that the Abbott government's GP tax would have on their health system and on their family and individual health. Australians are unlikely to fawn over a fund when they are required to put in either seven dollars or five dollars each time they visit the doctor or take their sick kids to the doctor. In an electorate like my electorate of Blair, where the bulk-billing rates are currently at about 92.2 per cent, you would not expect people to be bashing on my electorate door in Brassall Shopping Centre in Ipswich saying, 'Gee, Shane, I think it's about time you actually got on board with this medical future fund. It's the right thing to do.'

I have to tell you that I am in the middle of doing my country shows in my electorate—it is a regional and rural electorate—and I can tell you, having been there till 9 o'clock at night for two nights and 6 o'clock the next night, and doing country shows in places like Lowood and Esk, no-one has come up to me and said, 'Gee, it's great that they have cut all this funding from health and hospitals so they can put it into a future medical research fund. Gee, that is a good idea, Shane, you should be voting for that in parliament. Isn't that a great idea!'

This Medical Research Future Fund had a pretty rough start, as I said before. Never mind that they slashed all that funding. Never mind that they failed to consult. What they have done in this legislation bears almost no resemblance to what they talked about in their glossies or to the wonderful glowing terms used by the Prime Minister, the Minister for Health and the Treasurer in what they had to say about this Medical Research Future Fund.

What do we see in the legislation? We see a stark lack of proper governance processes and procedures. There is no evidence at all that the government put any policy work in place when they established this fund. It does not even live up to the government's own principles, declarations and descriptions. There is no peer review whatsoever. There is no independent oversight at all. It does not look like they have considered this. It does not look well crafted and it does not look consistent with the public policy announcements they made earlier. It is more evidence of a government in chaos and confusion in terms of decision making.

Let us have a look at what the legislation says. The bill states that the health minister could—I said 'could'—request the National Health and Medical Research Council, the NHMRC, to manage fund disbursements, but it does not obligate the minister to do so. So it is possible, if not probable, that the NHMRC will be bypassed by the minister. The minister can delegate responsibility for disbursements to institutions such as universities or medical research institutes. But the minister responsible, whoever he or she may be at some stage in the future, is not required to do so.

The processes described in the bills provide little oversight of the disbursements from the fund, a fund initially to have $13.9 billion and to grow to $20 billion. In its current form, any government could fund any project, regardless of merit, provided that project meets the purpose of the legislation. That is why Labor is seeking amendments in relation to it. Projects can be funded without oversight from an independent advisory panel. There was supposed to
be one. Where is it in the legislation? There is no peer review process and no obligation to consult the NHMRC. The government has claimed that the advisory board will provide advice on the disbursement of the funds. If that were so and if it were integral to the efficacy and the effectiveness and, indeed, the efficiency of the legislation, if it gave it substance and credibility, the advisory board would be in the legislation. But it is not.

Another big concern is that any government in the future can direct funds itself for its own political purposes. It could be that some future government of either political persuasion could use this fund as a slush fund to assist in marginal seat campaigning. It is possible, under the way this legislation establishes this medical research fund. These bills enable the finance minister to credit funds to the COAG reform fund for making payments to the states or territories for expenditure on medical research or medical innovation. The finance minister can also direct credits to the fund's health special account to grant financial assistance to medical research institutes, not-for-profit organisations, universities and corporations.

However, this is consistent neither with the government's own claims about how the fund would operate nor with how it was ever envisaged to work as declared by the government when they took us all by surprise and established this fund. When the government announced the fund it promised:

Fund earnings will be directed to medical research, primarily by boosting funding for the National Health and Medical Research Council (NHMRC).

The bills before the chamber do not reflect that intention. Another concern is a very broad definition of 'medical research' and 'medical innovation' in the bills. There remains this lack of clarity about which savings have gone into the fund so far. Are those savings invested from those in the 2014-15 budget? We do not know. It is going to grow to $20 billion, and then the earnings from this fund will be disbursed for whatever reason the government wishes, lacking fundamental governance structures in the way the government said it would not.

The legislation is simply ripe for pork-barrelling. You can just imagine it happening, and you can just imagine the ANAO doing a report at some future time in relation to this, just as the regional rorts of the Howard government were castigated by the Auditor-General after 2007. It is deeply concerning the way this legislation was—

The DEPUTY SPEAKER (Mr Mitchell): Does the member for Bass wish to raise a point of order?

Mr Nikolic: Deputy Speaker, under standing order 90, members' motives cannot be impugned. I believe that the honourable member is impugning motives with terms like 'pork-barrelling' and other nonsensical terms of that nature.

The DEPUTY SPEAKER: There is no point of order. The member for Bass will resume his seat. The member for Blair will continue.

Mr NEUMANN: One wonders whether the Audit Office has ever signed off in relation to this. A government ever keen to exploit the politics of this could simply disburse the money the way it wants. This government, clearly, is work-shy when it comes to this particular legislation. It has not done the nitty-gritty, hard policy work, and it has not set up this fund in the truly bipartisan way that it should have. Behind the scenes, it is quite clear from the way it has been done that the Prime Minister's office has made another captain's call.
No-one in this place would dispute the fundamental importance of health and medical research. Scientific innovation and inspiration, at home or abroad, has improved and saved the lives of many we love and cherish, and no political party has ever been more supportive of health and medical research in Australia than Labor. We invested more than $3.5 billion in such research when we were last in government, including more than $700 million to build and upgrade health and medical research facilities across the country. When we were in government, we did consult with the health and medical research sector, the Department of Health and the Chief Scientist. We always had a science minister, and had the phone number of and knew how to contact the Chief Scientist.

We do not believe in any way, shape or form that you should fund the cures of tomorrow at the expense of those who are sick today. We should not. That is the problem with this legislation, and that is the problem with the way this government has established this fund. For that reason, I support the amendments as proposed by the Shadow Minister for Health.

Dr GILLESPIE (Lyne) (11:28): Before I speak on the Medical Research Future Fund Bill 2015 and the Medical Research Future Fund (Consequential Amendments) Bill 2015, I just cannot let a few of the earlier comments go through to the keeper. Allusions to Yes Minister machinations—not funding medical research because people currently ill are missing out on medication—is such a misconstruction of what is essentially a great innovation. Also, to call the Medical Research Future Fund a potential pork-barrelling fund is really quite offensive. It is a case of the pot calling the kettle black. If the truth be known, the Health and Hospitals Fund, which was treated as a capital works budget—and some may allege that there was pork-barrelling in that—was actually set up as an endowment fund by the Howard government. It was rolled over and given a new name. Instead of acting as an endowment fund should and delivering projects out of the dividends, the capital was chewed up extensively. This is exactly what we are trying not to do with the Medical Research Future Fund.

This will be an endowment fund. For those who do not understand what that means—and there are some people even in the other house who appear not to have understood this when the legislation first came up—an endowment fund delivers dividends, and it is the dividends that will fund the medical research and innovations so that there is something there in perpetuity. Long after any one minister, parliamentarian or Prime Minister has come and gone, it will be there in perpetuity, like many of the other great endowment funds that fund research around the world. It will be created by funds from the Health and Hospitals Fund being rolled over into the Medical Research Future Fund, and it will be able to be distributed to a range of entities, including universities, not-for-profit research bodies, Commonwealth bodies such as the CSIRO, state research facilities, individuals and corporate entities. There are many research and innovative bodies around the country that will be able to access these funds.

In 2015-16, because there is potentially only a small amount going into the fund, it will take a long time to grow the fund up to its eventual level of $20 billion. We have not put a time frame on it because a lot of the initiatives and efficiencies that will drive savings will remain in the health system and fund research. If we were to follow the previous speaker in criticising medical research—if we had followed that advice for the last 30 or 40 years—we would still be using leeches, humours and cupping. Medical research has got us to where we are now.
There are a range of appropriation mechanisms. The fund will utilise the Future Fund's financial management skills, but the costs to the Future Fund will be appropriated on a pro rata basis. This will not be subsidising other functions of the Commonwealth government's Future Fund. The intention is that it will have an advisory board of up to eight eminent people with particular skills in innovation, research and policy—all the skills that you would need for appropriate governance of such a fund. It will provide strategic advice and direction, but the actual nuts and bolts of the research covers a whole span of possibilities: laboratory research, clinical trials, research scholarships and fellowships, commercialisation of new innovations and drugs, translational research, and investment in research infrastructure and facilities. It will utilise the NHMRC, which has enormous skills that have been developed over many decades in assessing individual research projects. It would be crazy not to utilise its skills, so the intention is to do so.

It is a separate fund to the medical research endowment account as the Medical Research Future Fund and the NHMRC are destined to be separate bodies. So let me reassure you if you are in any of the august, well-established and world-renowned research institutions in Australia like the Hunter Medical Research Institute just down the road from my electorate. In my own electorate, much clinical research goes on at the North Coast Cancer Institute, directed by augus

th physicians such as Stephen Begbie over many years. Be reassured if you are at the Queensland medical research institute or other bodies in Brisbane, at the Garvan Institute or the Millennium in Sydney, at the Children's Medical Research Institute, the Murdock Children's Research Institute, the Harry Perkins Institute of Medical Research, Flinders University or Walter and Eliza Hall Institute of Medical Research—the list goes on and on. Our great research universities have many research capabilities. Be reassured if you have interest in oncology and cancers, heart disease, vascular disease or diabetes, like the work being done by the Baker IDI institute on vascular disease and diabetes—very common diseases. All the advances that come out of research will have material benefit for generations to come. It is a constant process that has to be continued around the world, and Australia really fights above its weight. Be reassured if your research is in kidney disease, neurodegenerative diseases like Parkinson's disease or multiple sclerosis, or genetics. There are so many fields of endeavour in medical research because there is such a plethora of illnesses that afflict the human condition. We have a great record of achievement in bionic ears, the colony-stimulating factors that are used in leukaemia treatment and kidney disease, sleep apnoea, foetal ultrasound, SIDS and spina bifida. The list just goes on—there are too many for me to mention—but this fund will create great a base for the medical research body in Australia.

Once the fund gets to $20 billion—I do not know how quickly it will get there—a five per cent return on that would be $1 billion a year. There are great innovators in medical research and in medical industries in Australia. Currently, we only allocate 0.75 per cent of our GDP towards medical research. If you compare us to our OECD partners like those in North America and Europe, we are contributing only 64 per cent of what they are putting in. So this will fill the gap and we will punch above our size and weight. For every dollar spent on research, it has been estimated that you get a health benefit of $2.17. For the 23,000 existing researchers around the country and the 40,000 people employed by the medicines industry, and for the millions of citizens of Australia and the world, I commend this bill to the House.
Mr GILES (Scullin) (11:37): I also rise to make a contribution to the debate on the Medical Research Future Fund Bill 2015 and the Medical Research Future Fund (Consequential Amendments) Bill 2015. I follow a very interesting contribution from the previous speaker, the member for Lyne. He spoke very effectively about some of the challenges Australia faces in the context of medical research within which this debate takes place; but, unfortunately, the issues that he addressed are not matters that are resolved by the legislation before this House, which is very disappointing.

These bills give effect, belatedly, to the government's commitment last year to set up a medical research fund. We on this side of the House have some significant concerns about supporting such a fund. The amendment moved by the shadow minister, the member for Ballarat, is intended to ensure that the fund meets its stated purpose. Presently, this cannot be said to be the case. There is more to be done if we are to ensure that Australia's world-class researchers have the support they need to secure our future health needs and to enable us to take full advantage of their discoveries through translation.

Over the last six months, I have been meeting and consulting with medical researchers around Australia, with my colleague and friend the member for Chisholm, to develop Labor's response to the challenges of supporting medical research. We have visited universities and medical research institutes and met concerned eminent people in the science and medical research community. I take this opportunity to thank all of those who engaged with the member for Chisholm and me. I recognise the extraordinary interest the sector showed in contributing to the debate on this issue and to informing our policy response on the challenges of securing Australia's medical research future. It is disappointing, of course, that the legislation before us evidences no such consultation—that the government has not availed itself of the extraordinary insight to be found across that profession.

As a Melburnian I take great pride in the work that is done in the Parkville precinct, around the Alfred and around the Monash Medical Centre. But it was striking to see the extraordinary, innovative and life-altering work that is taking place, as we speak, right around Australia in extraordinary facilities like the TRI in Brisbane, the Garvan Institute of Medical Research in Sydney and the SAHMRI in South Australia; and to see the important work that is being done in South Australia, in Adelaide, bringing together clinical practice, research and higher education to see the benefits that can be derived from those sorts of synergies—matters that are critical to advancing our medical research future, matters not touched on by this government as yet.

It was also very interesting to me to hear from medical researchers. It is one thing to hear from bodies engaged in medical research about the concerns they have about workforce development—concerns that would be alleviated by a future Labor government, which would address the deep concerns we have about science, technology, engineering and maths education—but it is quite another, and indeed affecting, to hear from researchers themselves, young researchers and midcareer researchers, who have an obvious passion and enormous capacity for their work but see great disincentives put in their path.

The previous speaker spoke about Australia's lamentable position compared to the OECD average in terms of funding medical research; and, to the extent that this fund goes some way towards turning that around, that is to be commended. But there is so much more to be done if
we are to ensure that our best and brightest are applying their talents to securing Australia's future health needs.

These conversations I had over the last six months, these dozens of meetings, were a pleasure and a privilege, and they have shown me clearly what is at stake in this debate: the range of challenges in supporting medical research effectively in clinical practice, in universities and in our world-leading medical research institutes; the exciting opportunities that are there for us to harness to transform lives; and the ability to create good jobs of the future. This debate has also demonstrated once again the gulf between the rhetoric of the Abbott government and the reality when it comes to medical research.

In the more than a year since the Medical Research Future Fund was announced—to the surprise of just about everyone, including the sector—not much has happened. We recognise now that this fund was supposed to be up and running by 1 January of this year. That did not happen, of course. I do acknowledge one significant bit of progress, although not one that resulted from consultation on the part of the government: it is very pleasing to see the abandonment of the link between the GP tax and medical research. Labor and the community made the case, beyond argument, that the sick today should not pay for the health advances of the future. That is something that should be acknowledged in the course of this debate. But what can explain the delay in bringing this legislation forward? It certainly is not exhaustive engagement with the sector, as the bill and, indeed, the Treasurer's second reading speech demonstrate.

More generally, while it is one thing to provide a mechanism to deliver more money to medical research, it is quite another, clearly, to adequately support this critical sector. By way of contrast, let us think about the approach that Labor took in government. It commissioned the McKeon review, an exhaustive process of engagement which provided a 10-year plan for the sector, deeply anchored in first principles, which did not see medical research as something good in and of itself but tied investments in medical research to the health needs of Australians. Let us not forget about that work and let us keep working to that template, which continues to be very highly regarded in the sector.

I think it is worth mentioning, before touching on the details of the bill, the broader context of this debate. On the one hand we see a government that is engaged in the most savage cuts to the health budget, and on the other we look narrowly at the prism of medical research, where the NHMRC grants program is under extraordinary pressure. Something needs to be done. I touched, earlier, on the clear anxiety shown by young and mid-career researchers and the real fear that our best and brightest will be pushed away from this field, either into clinical practice or overseas.

Let's pause for a moment as we consider the legislation before the House, and consider the opportunity that is before us and that is open to the government. This fund is about two things—it is about putting more money into medical research but seemingly, unfortunately, not solely into research. More money for research, though, is a good thing. Equally importantly, we have an opportunity to try to do things differently. We cannot forget this. The challenge is not simply about providing more money to do the same things.

I want to talk briefly about three matters: what is in these bills; the concerns; and what is not in the legislation that is critical to supporting medical research in Australia's future. The substantive bill that is before us establishes the fund and special account for the purpose of
distributing grants to states and territories, medical research institutes, universities and corporate Commonwealth entities or corporations. The breadth of this is the first concern we have. It also allocates some funding from the Health and Hospitals Fund to the Medical Research Future Fund—another concern. It provides some mechanisms for credits and debits from the fund and sets out the main purposes. These, like many elements of the bill, mirror our other nation-building funds. This is clearly an off-the-shelf product, not one that has been designed to be fit for its special purpose. The bill also sets out the investment policies for the fund and goes on to provide a mandate for the fund that includes the need to enhance the Commonwealth's ability to provide grants of financial assistance that support medical research and medical innovation. This definitional issue is another significant concern.

The consequential amendment bill provides for some amendments to a number of acts to facilitate the fact that the Future Fund will exist in the context of other funds being managed by the Future Fund, and makes amendments to reflect the abolition of the Health and Hospital Fund and certain other transitional amendments.

In terms of the substantive bill, we have to be very clear in recognising that one thing the bill does not do is fulfil the promise of the fund to direct fund earnings to medical research, primarily by boosting funding to the NHMRC. But there are wider issues of governance before us. The mechanisms for disbursements are drawn very broadly. This is not how we were led to believe the fund would work, and it is not consistent with those claims. The definition of medical research and medical innovation is very broad and goes way beyond the expectations of the sector and the wider Australian community. While there is a capacity within the bill for the effective delegation of responsibility for providing funding, this is completely discretionary, and that goes to the real risk that funding can be applied regardless of merit. This is an extraordinary thing to do when we think about the sorts of investments we are supposed to be supporting and the sort of rigor that the community—the scientific community, the medical community and the Australian community—are entitled to expect. This is the sort of rigor that we should be requiring through peer review processes. This is compounded by the absence of any mechanisms for independent oversight. The governance issues in this bill are shocking, and clearly demonstrate a failure to consult with the community and to consider how we can best provide for medical research. It is really concerning that, in the past year and a bit, the government has not constructed a fund model that is fit for purpose, even on the government's own terms. Let's leave aside these broader questions about the first principles we should be trying to fulfil through the legislation before us—it fails the test government set itself.

When we come to this debate about health and medical research, it is critical to acknowledge Labor's support for health and medical research through the funding commitments we made in government, and also through the work we did in commissioning the landmark McKeon review, which did provide and continues provide an effective long-term vision. The review is something that the minister, and indeed the government, should have regard for because it contains something that this government seems to be incapable of, and that is a clear and clearly articulated vision for the future of medical research—a vision for future wellbeing in Australia, and also a vision for the jobs of the future. It displays an appreciation of the need to break down the silos that continue to exist between clinical practice and research.
What is absent from the government is an understanding of policymaking in a considered and effective way that involves consultation, and the need to take on board the views of experts and all those affected. What is missing is an appreciation of the critical importance in dealing with the question of robust independent peer review in determining allocations. What is missing is any appreciation of striking a balance between supporting high-quality basic research, which is so important and something that we do very well, and building on our translational capacities. There is also no consideration of funding innovation and no consideration of the critical questions around workforce—these are questions that are compounded by the uncertainty caused by the government's radical higher education deregulatory agenda.

We have here an opportunity to offer certainty to young researchers. I read with interest an article in the *Sydney Morning Herald* by Louis Wang, one such young researcher, and someone excited by the announcement of this legislation and the establishment of the fund, but someone who I fear will be gravely disappointed when he sees what is actually before the parliament.

Supporting medical research is vital for all of us in this place. I have heard effective contributions from government members, and that is pleasing to hear; but mouthing these words is not enough. Engaging with the sector and taking on board their views is critical. The legislation before us is really an object lesson in how not to develop innovative and effective public policy. There is an opportunity for the government to get it right by supporting the amendments moved by the member for Ballarat.

Mr WOOD (La Trobe) (11:52): I strongly support this bill establishing the Medical Research Future Fund. It establishes a fund for medical research initially with a contribution of $1 billion and eventually $20 billion. For the life of me, I cannot believe Labor is not supporting this bill outright. The only time people ever become aware of the need for a medical research fund is when there is a tragedy in the family or the community and someone finds out all of a sudden that a person has a rare disease, a rare illness. I have found that in my electorate on a couple of occasions. Normally the people concerned have seen doctor after doctor and eventually they come across a medical specialist who realises what the illness or the disease is. That is why I cannot believe the Labor Party is not fully supporting this medical research fund bill. It is a brilliant bill, and it is about all those young people sitting up in the gallery today—it is about their future and about the future of all Australians.

In 2007 some parents came to visit me in my office in Boronia. They were the Webbers, who lived in Beaconsfield, and they had a little boy called Jimmy, who was 12 years of age. The parents could not tell me what Jimmy's future was with Jimmy in the room, so we asked Jimmy to leave. It soon became very apparent that he needed some urgent surgery. He had pressure on his optic nerve, and the problem was that the anaesthetist did not want to put him under because he had polyps in the throat and the dilemma was that if they undertook the surgery he could die but if they did nothing he could go blind. It was an awful situation for parents to be in. I asked them whether there was anything we could do, and they told me there was a miracle drug called Elaprase, developed in the USA. This is what we want to see—we want to see drugs like Elaprase developed in Australia; that is what this fund is all about. The drug was not available through the Therapeutic Goods Administration as it was still undergoing evaluation. Jimmy needed this medication urgently but it was not cheap—it was
between $600,000 and $800,000 per year. Why was it so expensive? Because pharmaceutical companies need to get some return for doing this incredible research into drugs like Elaprase. I approached Dan Brown, the CEO of the company, Genzyme, and had a chat to him about whether we could put Jimmy on a trial—there were a number of trials going on in Australia at the time for Hunter syndrome. Initially we did have some resistance but I congratulate Genzyme because we eventually had some success. Working with them, compared to many other pharmaceutical companies, was a pleasure. They could see the common sense in putting Jimmy on a trial, and in return I would move heaven and earth to make sure we got Elaprase listed. The great news was that Jimmy did get the drug and he is now doing fantastically in life. The great news, too, was that all the other sufferers in Australia also had access to this drug, and also similar ones called MPS1 and MPS2.

The side effects of Hunter syndrome in severe cases include altered facial features, profound mental retardation, spasticity and aggressive behaviour. The very worst-case scenario is that most are boys and most do not survive until the age of 20. I did have some parents in my electorate in Officer who, once we had the drug approved, did at a function tell me that their child had died of Hunter syndrome but how grateful they were to know that he had not died in vain. I congratulate my colleagues at the time—we all signed a letter which we presented to John Howard, and I believe the current Prime Minister, Tony Abbott, was the health minister, and under the Life Saving Drugs Program of the Pharmaceutical Benefits Scheme the drug was made available for the treatment of Hunter syndrome. It was great news that we got the drug.

I come back to the key point—the medical research fund. I know the Treasurer was criticised for this at the time, but the most important time in someone's life is when they need help. The benefits from this fund will be astronomical for the families it will help in Australia—but also overseas. Australia is a well to do country and you normally find that medical researchers, who do such a fantastic job, will naturally share their breakthroughs with other countries. That is what scientists are about. They go into their field to help other people.

Another example of a lifesaving drug was brought to my attention by Jenny Scott, who is the grandmother of Bianca Scott. Jenny lives in my electorate, and Bianca suffers from aHUS. I have also met in my electorate young Holly Van de Loop, who also suffers from aHUS. In 70 per cent of cases, aHUS is associated with the genetic or acquired abnormality of a part of the immune system known as the complement system. This can lead to severe inflammation of the blood vessels and blood clotting that damages kidneys, causing them to fail. aHUS can occur at any age, with nearly half of all people diagnosed aged 18 and over. This disease is just as life threatening in adults as it is in children. Within one year of diagnosis, 64 per cent of patients with aHUS will, tragically, die, require dialysis or develop permanent kidney damage despite plasma exchange, which is very expensive. This paints a very bleak picture.

But again through medical research there was a breakthrough—a drug called Soliris. When Jenny Scott, Bianca's grandmother, approached me about the capacity Soliris had to save her granddaughter's life, I knew I had to act. Tragically, Jenny's son died of the same illness. So I fought hard to have Soliris provided to Bianca and Holly—as I had for Jimmy Webber. I congratulate all the members of parliament involved in this—in particular, my colleagues from Queensland who worked with the New South Wales health authorities. They arranged for Bianca to receive the drug she needs so vitally. I congratulate Minister Peter Dutton on his
negotiations with the company. It saw a great outcome for all aHUS sufferers in Australia. Holly will now be able to use this drug if she ever needs it because now Soliris is listed under the Life Saving Drugs Program.

This is a great example of why the coalition supports having in place a fund which, no doubt, will make incredible breakthroughs in medical research in Australia and throughout the world. We have to back our scientists. We have to back our researchers. We have great universities in Australia. We need to support them and their medical research teams—and all scientists.

A medical research fund benefits hospitals and health care providers. In that, they will be able to engage in active research to provide for more effective health care, have access to pioneering clinical trials—and clinical trials are so important—and attract pioneering health professionals. Presently, the Australian government only invests 0.075 per cent of our GDP on health and medical research. This is just 64 per cent of the OECD average. We need to greatly improve this—and the beautiful thing about this fund is that it will improve this. Every dollar invested in health and medical research generates an average return of $2.17 in benefits to the nation. Australia has its own unique approach to medical concerns. With Indigenous health problems, tropical infectious diseases and emerging health risks specific to our country, it makes sense for this research to be Australian based. Given all of this, I would hope it is now very clear to the Labor Party that it should support the medical research fund.

In closing, I would like to use the words of Professor Christine Bennett AO, the Chair of Research Australia:
Investing in health and medical research is about better health and well-being, greater productivity and a stronger economy, and giving hope to people living with health problems for which research is the only hope.

I recommend that members of the parliament attend a Rare Voices function. I congratulate Steve Irons for the great work he has done with this group. When you go there and meet the parents and the children who are suffering with rare illnesses, you will see that this fund is about helping them. I very proudly support the Medical Research Future Fund Bill 2015.

Mr GRAY (Brand) (12:04): I rise to speak in this debate on the Medical Research Future Fund Bill 2015 as a former executive director of the Western Australian Institute for Medical Research. This foundation is now known as the Harry Perkins Institute of Medical Research. It is named after the very significant first Chair of the Western Australian Institute for Medical Research, Mr Harry Perkins. I worked for the Western Australian Institute for Medical Research at a time when the Howard government had begun to take a real interest in medical research, led by then health minister Michael Wooldridge. Michael Wooldridge should be recognised in this place as having been a science and medical research health minister. He was a minister who placed front and centre the need to lift medical research to a prime role in our public health care systems.

At that time, the government and the minister sponsored a report into medical research by Peter Wills. The Wills report still stands as a seminal piece of work teasing out and understanding the role that medical research plays in our public hospital system. What I mean by that is not the role that medical research plays in understanding disease, defining therapies, creating better cures and creating better health care; it is actually the understood impact that public hospitals participating in both medical research and patient care produce better
outcomes for having medical research incorporated into the health management protocols at a clinical level within public hospitals.

This revelation provided a great imperative for the government to better integrate research into our public hospitals, producing what Peter Wills, in his report, called a virtuous cycle—a virtuous cycle to improve health care, a virtuous cycle to improve outcomes in public hospitals, a virtuous cycle to incorporate clinical practice in medical research into the same organisations' instruments and, on some occasions, the same people to produce better outcomes. This would improve, of course, the science itself, the understanding of disease, the creation of better therapies, the creation of better clinical practices and the provision of better outcomes. Minister Wooldridge is to be congratulated for that work.

Australia has a proud record in medical research. We often like in this place to take great pride in our Nobel laureates in medical research. In Western Australia, the work of Barry Marshall and Robin Warren is greatly acknowledged and recognised not simply for the outstanding work that it is but because their work on helicobacter, on stomach ulcers, defines a better place for medicine in our public hospital systems and importantly in tackling an area of disease that was massively debilitating. The use of surgical interventions to deal with stomach ulcers would incapacitated patients potentially for some months and perhaps even for years; whereas the understanding of helicobacter and the treatment of ulcers as being the result of a bacterial infection created very genuine steps in medical research that gave people not just a better chance of diagnosis and recovery but also meant that the impact of the medicine and the treatment itself was much more mild and benign and left patients more capable of dealing with their work, their jobs, their lives and their families immediately following the intervention by the therapies developed by Marshall and Warren.

I was reminded of this late last year on the death of Don Metcalf, who was one of the great researchers at the Walter and Eliza Hall Institute of Medical Research in Melbourne, one of the great researchers into cancer therapies and blood borne diseases. Don did his work with Professor Glenn Begley, who later became the scientific chief executive officer at the Western Australian Institute for Medical Research. Glenn left the Institution for Medical Research in the early 2000s and took up a position as global head of haematology and oncology research at Amgen in California. Glenn's work at Amgen defined a whole new area of drug therapies. He was responsible at the time for building the haematology and oncology research program within Amgen. He also had scientific responsibility for marketing Amgen products, involving preparation and presentations at multiple FDA face-to-face meetings and at FDA drug advisory committee meetings. That experience allowed Professor Begley to have a unique perspective of therapies and of many of the new discoveries that were being considered by Amgen.

A little background on Glenn: in his early studies he first described the human G-CSF and in later clinical studies he first demonstrated that G-CSF 'mobilised' blood stem cells but hastened hematopoietic recovery compared with bone marrow transplantation. What this means in English is that the work that Begley and his team did better understood the hormonal response to bone marrow transplants and in managing that hormonal response meant that a bone marrow transplant could be done in a better way to create a healthful effect more beneficially and to ensure a reduced rate of rejection from bone marrow transplantations. The finding revolutionised the approach to clinical cell transplantation and his basic research
focused on haematopoietic regulation. He defined the functions of CSFs and their receptors using animal models. He was the first to molecularly clone the transcription factor SCL and demonstrate its critical role in leukaemia and normal haematopoiesis. Dr Begley is board certified in Australia as a medical oncologist, as a laboratory haematologist and also he has a PhD in the cellular and molecular biology. He is highly significant in this field. He has published over 200 scientific papers and was elected to the prestigious American Association of Physicians in 2008.

In an article published in 2012 in the journal *Nature*, Professor Begley considered where cancer science was and he put it under the spotlight as he discovered some disturbing results.

He discovered:

Over the decade, before pursuing a particular line of research, scientists … in the haematology and oncology department at … Amgen in Thousand Oaks, California, tried to confirm published findings related to that work.

During a decade, as head of the global cancer research facility at Amgen, Glenn Begley had identified 35 landmark publications, papers in top journals from reputable labs, for his team to reproduce. Begley sought to double-check the findings before trying to build on them for drug development. Scientific findings were confirmed in only six—that is, in 11 per cent of the cases. Another way of viewing that is that 47 out of 53 papers could not be replicated. Even under the limitations of preclinical research this could only be described as a shocking result.

When Amgen's replication team of about 100 scientists could not confirm the reported results, they contacted the authors. Those who cooperated discussed what might account for the inability of Amgen to confirm the results. Some let Amgen borrow antibodies or other materials used in the original study or even to repeat the experiments under the original author's direction. Some authors required the Amgen scientists to sign a confidentiality agreement barring them from disclosing data at odds with the original findings:

The world will never know which 47 studies, many of them highly cited, are apparently wrong—said Professor Begley. This is critically important. Begley went on to say:

It was shocking. These are studies the pharmaceutical industry relies on to identify new targets for drug development. But if you're going to place a $1 million or $2 million or $5 million bet on an observation, you need to be sure it's true, that it is accurate and that it is good science. As we tried to reproduce these papers we became convinced that you can't take anything at face value—in this area of science. Begley talked about one particular meeting with a lead scientist at one of the studies being looked at. Professor Begley said, 'We went through the paper line by line, figure by figure.' He said that he explained that they re-did the original experiment 50 times and could not replicate the original result. He said that they had done it six times and got the result once. The scientist said that they had done it six times and got the result that was reported just once. But he put it in the paper because it made the best story.

I just want to repeat that. If you contemplate this in the context of the scientific research that is being done, you have Amgen carrying out 50 tests on a published piece of scientific research that could not replicate the result that had been published. Then, on interrogation, the scientist said that they had done the experiment six times, that on one occasion they had got that result and that they published that result because that apparently made the best story. This is deeply disturbing.
A team at Bayer HealthCare in Germany produced similar results to those which Begley and his team had reproduced at Amgen. In a 2011 paper titled, 'Believe it or not', they analysed in-house projects that built on 'exciting published data' from basic science studies. Exciting published data does not necessarily mean accurate published data. It does not necessarily mean published data that will lead to a therapy. It does not necessarily mean data that will lead to a cure. It means merely that it was published data and that it was exciting. If you go back to the original scientist's commentary, the scientist argues that the material was published because it made the best story. This is not just disillusioning; it is deeply disturbing.

The Germans also concluded that the key data could not be reproduced. Of 47 cancer projects at Bayer during 2011, less than one-quarter could reproduce previously reported findings, despite the efforts of three or four scientists working full time for up to a year. Bayer dropped that research project. These investigators were all competent, well-meaning scientists who truly wanted to make advances in cancer research. They wanted to save lives, they wanted to make recovery processes better, they wanted to restore health and they wanted to give people better and more healthy lives.

I mention these stories not simply because they are true or because they are disturbing but because nowhere in this bill do we see any mechanisms that would fix the problem that has been identified in medical research in the United States and made public by a very significant Australian cancer research in Professor Begley. We need to give this consideration because we are talking here of a medical research fund that measures many tens of billions of dollars, that will potentially have an impact on medical research that will cast a shadow down the corridors of time for many generations. Fixing medical research to make sure that medical research works in the scientific interest is a critically important thing to do. It is what good science is based on, it is what good medicine can be built upon and it is ultimately what the work of the Wills inquirers discovered for Michael Wooldridge in 1999. It ultimately relates to good health care, good patient care and better outcomes in our public hospital systems.

As Wills reported so many years ago, in 1999, there is a virtuous cycle. Let's not see that virtuous cycle broken by bad science, let's not see that virtuous cycle broken by wasted public money and let's not see that virtuous cycle broken by a culture and practice in research laboratories that pursues the idea of publishing material that is of a sexy nature as opposed to publishing material that is important scientific discovery. The line that the in-house projects were published because they were exciting data, exciting for a media story, is deeply, deeply concerning. We need to have science that is built on good practice, that is published because it provides insights and that then, in our public hospital systems, can provide better medicine. This is an important part of what we do in this place.

Mr McCORMACK (Riverina—Parliamentary Secretary to the Minister for Finance) (12:19): The Medical Research Future Fund Bill 2015 is an important bill. There is a lot of interest in it. We stand by the fund in this legislation. We understand Labor have amendments to move at the consideration in detail stage, and we are keen to see those amendments.

Mr Albanese: Madam Deputy Speaker, I raise a point of order. If the parliamentary secretary representing the Minister for Health is summing up, there was a speaker on his feet seeking the call to contribute to the debate.

The DEPUTY SPEAKER (Mrs Griggs): I have been given different information.
Mr Albanese: The member for Charlton, on the list that is circulated, you will note, is down to speak and should be given the call. Then, if the member for Riverina wishes to stop the debate, it is up to him to put a procedural motion after the member for Charlton has the call—in which case he does not get to sum up.

The DEPUTY SPEAKER: Parliamentary secretary?

Mr McCormack: I move:

That the question be now put.

The House divided. [12:22]

(The Deputy Speaker—Ms Griggs)

Ayes .................74
Noes .................46
Majority ............28

AYES

Alexander, JG
Baldwin, RC
Broad, AJ
Brough, MT
Chester, D
Cobb, JK
Coulton, M (teller)
Fletcher, PW
Gambaro, T
Goodenough, IR
Hawke, AG
Hendy, PW
Howarth, LR
Irons, SJ
Jones, ET
Keenan, M
Laming, A
Laundy, C
Marino, NB
Matheson, RG
McNamara, KJ
Nikolic, AA (teller)
Pasin, A
Porter, CC
Price, ML
Randall, DJ
Roy, WB
Scott, BC
Smith, ADH
Stone, SN
Sukkar, MS
Tehan, DT
Turnbull, MB
Varvaris, N
Whiteley, BD
Williams, MP
Wood, JP

AYES

Andrews, KL
Briggs, JE
Broadbent, RE
Buchholz, S
Christensen, GR
Coleman, DB
Entsch, WG
Frydenberg, JA
Gillespie, DA
Hartsuyker, L
Henderson, SM
Hogan, KJ
Hutchinson, ER
Jensen, DG
Joyce, BT
Kelly, C
Landry, ML
Ley, SP
Markus, LE
McCormack, MF
Morrison, SJ
O’Dowd, KD
Pitt, KJ
Prentice, J
Pyne, CM
Robert, SR
Ruddock, PM
Scott, FM
Southcott, AJ
Sudmalis, AE
Taylor, AJ
Tudge, AE
Van Manen, AJ
Vasta, RX
Wicks, LE
Wilson, RJ
Wyatt, KG
Question agreed to.

The DEPUTY SPEAKER (Mrs Griggs) (12:36): The immediate question is that the amendment be agreed to.

Question negatived.

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

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Consideration in Detail

Ms KING (Ballarat) (12:38): by leave—I move opposition amendments (9) to (21) and (23) together:

(9) Clause 20, page 19 (line 16), omit "Finance Minister", substitute "Chief Executive Officer of the NHMRC".

(10) Clause 20, page 19 (line 29), omit "Finance Minister", substitute "Chief Executive Officer of the NHMRC".

(11) Clause 22, page 20 (line 17), omit "a Minister", substitute "the Chief Executive Officer of the NHMRC".

(12) Clause 25, page 21 (line 15), omit "Finance Minister", substitute "Chief Executive Officer of the NHMRC".

CHAMBER
(13) Clause 25, page 21 (line 27), omit "Finance Minister", substitute "Chief Executive Officer of the NHMRC".

(14) Clause 27, page 22 (line 20), omit "Health Minister", substitute "Chief Executive Officer of the NHMRC".

(15) Clause 28, page 22 (line 24), omit "any or all of his or her powers under section 26 or 27", substitute "his or her powers under section 26".

(16) Clause 28, page 23 (line 1), omit "Note 1", substitute "Note".

(17) Clause 28, page 23 (lines 3 to 9), omit note 2.

(18) Clause 29, page 23 (line 15), omit "Finance Minister", substitute "Chief Executive Officer of the NHMRC".

(19) Clause 29, page 23 (line 23), omit "Finance Minister", substitute "Chief Executive Officer of the NHMRC".

(20) Clause 30, page 24 (line 1), omit "a Minister", substitute "the Chief Executive Officer of the NHMRC".

(21) Page 24 (after line 2), after Subdivision E, insert:

Subdivision EA—Additional function of the Chief Executive Officer of the NHMRC

30A Additional function of the Chief Executive Officer of the NHMRC

The functions of the Chief Executive Officer of the NHMRC include the function of giving directions and entering into agreements in accordance with this Division.

(23) Clause 60, page 42 (lines 7 and 8), omit "any or all of his or her powers under section 15, 20, 25 or 29", substitute "his or her powers under section 15".

These amendments go to the heart of the problem with the Medical Research Future Fund Bill 2015. At the heart of the problem with this bill is in fact the government's own inconsistency with its own policy statements. It said very clearly in the health policy budget glossy from the last budget that the funds from the Medical Research Future Fund would primarily go to the National Health and Medical Research Council. This bill does not do that. It fails the government's own budget announcements about what this fund is set to do.

Without any governance structures in this bill, without independent peer review of medical research, this bill runs the risk of trashing the reputation of Australia's medical researchers and medical and health research. It becomes purely at the discretion of the Minister for Finance and then possibly the Minister for Health to disburse these funds, without any legislated mechanism for independent peer review or independent governance of this money.

It says everything about this bill—a bill that is about health and medical research, which should be at the corner of health reform in this country—that the Minister for Health neither bothered to put her name down on the speakers list nor spoke in this debate at all. This bill should be about the core of health and medical research. You will note that I am the shadow minister for health. The shadow minister for finance has deferred to me on this bill because the policy and the core of it are about health and medical research.

It says everything about this government that it has failed to consult with the health and medical research community—it has failed to consult with the experts on health and medical research—about how this fund should be established and, more importantly, how disbursements from this fund should be made.
This bill is fine in that it sets up the investment strategy for this fund. That is a similar way to all of the other nation-building funds. But I draw people's attention to the Health and Hospitals Fund, which is established under the nation-building funds. It has within it a legislated advisory board. It has within it, legislated, the guiding principles by which that advisory board should be making its recommendations.

It is a core failure of this bill that it basically says that the Minister for Finance is unfettered, and then maybe, if he decides to credit the Medical Research Future Fund health special account, the Minister for Health might be able to do something with some of the disbursements from this fund. It says everything that the government has basically left it entirely to the discretion of two ministers as to what the priorities for health and medical research under this fund will be. How can you trust this government when it has trashed health policy in this country by suddenly setting up what in essence will eventually be a billion-dollar-a-year fund where the Minister for Finance and the Minister for Health, if she or he gets the opportunity, whoever it may be then, can decide entirely what the priorities are for health and medical research in this country? This is not the way this should happen.

The NHMRC has been operating since the 1930s. It is the independent statutory authority we trust in this country to determine where health and medical research funding should be directed. It already has a special account, an endowment account, in which disbursements are made. The government has neither put any governance structures in this bill at all nor said that its own test funds from this fund will primarily go to the NHMRC. That it has not done so says everything about this government. This is Senator Brandis's arts council when it comes to health and medical research. If this bill is left to stand as it is, it is absolutely undermining the integrity of health and medical research in this country.

Unlike the government, I have bothered to speak to some of the health and medical research community, and they are very concerned about the governance structures in this bill, so I have moved these amendments to give the government the opportunity to fix this. They said that it was primarily to go through the NHMRC. We want to support medical research. We want to support a bill, but we cannot support this bill in its current form. It must be amended.

Debate adjourned.

BUSINESS

Rearrangement

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (12:44): I move:

That order of the day No. 4, government business, be postponed until a later hour this day.

Question agreed to.

BILLS

Tax and Superannuation Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Bill 2015

Second Reading

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

Dr LEIGH (Fraser) (12:44): This bill increases the Medicare levy low-income thresholds for individuals and families, along with the dependent child and student components of the family threshold. Also, for single taxpayers who are eligible for the seniors and pensioners tax offset, they will not have a Medicare levy liability where they do not have an income tax liability. These movements are generally in line with increases in the consumer price index, although not in every case. Why that is remains something of a mystery. I hope that during the course of the debate the government might enlighten the House as to why it has chosen to increase some thresholds in line with inflation but not others.

It comes in a context of significant cuts to health. We have seen the $80 billion of cuts to health and education under this government. The shadow health minister has just spoken articulately about the state of health in this country under the Abbott government. Labor will support the bill. It represents a rare outbreak of decency, it must be said, from this government amidst an unfair budget. This is a budget which still continues so much of the unfairness of last year's budget, such as the $80 billion of cuts to schools and hospitals, $100,000 degrees and the cuts to family payments. All of those things are still there in this year's budget.

It is a budget which fails the coalition's own test of debt and deficit, with the deficit having been doubled over the course of the last year. It is a budget which fails the coalition test that Tony Abbott spoke of in August 2013, when he said:

... taxes will always be lower under a coalition government.

But this is a budget that has 17 new or increased taxes. In August 2013, the then Leader of the Opposition, Tony Abbott, said that there would be no overall increase in the tax burden whatsoever. But the tax-to-GDP ratio in this year's budget is higher than in any year under Labor. It is a budget which too fails the—

Mr Tony Smith: Mr Deputy Speaker, I raise a point of order: whilst there is always some latitude in debates, the speaker is now straying entirely from the subject of the bill. He is just reverting to a speech that he has given many times this chamber. He needs to confine himself, as he well knows, to the substance of the bill.

The DEPUTY SPEAKER (Mr Vasta): I call the honourable member for Fraser.

Dr LEIGH: I can understand that those opposite are sensitive about being reminded that the budget fails their tests as well as our tests. But an increase in the Medicare levy thresholds is to be welcomed; I make no secret of that. It enjoys bipartisan support in this House. One cannot consider that measure in isolation. A sensible debate over the Medicare levy thresholds needs to take into account the NATSEM modelling, which shows that nine out of 10 of the poorest families are worse off under this budget, with a family with school-aged children losing $6000 a year, yet nine out of 10 of the households at the top are modestly better off. We have unemployment going up and confidence going down. We have debt going up and growth going down. The numbers that should be going up are going down. The economic numbers that should be going down are going up. The change to the Medicare levy thresholds—

Mr Tony Smith: Mr Deputy Speaker, I raise a point of order: all speakers have to remain on the subject of the bill. It is not a matter of opinion, it does not matter how strongly the
member feels about a subject and it does not matter how verbose the member is; he straying from the bill. If he is incapable of moving from his typescript, which is not on the substance of the bill, he should sit down.

*The DEPUTY SPEAKER:* I thank the honourable member for Casey, but the member for Fraser has the call. The member for Fraser will be relevant to the bill.

*Dr LEIGH:* As I was saying before I was interrupted, the change to the Medicare levy thresholds is one which is welcomed. But one cannot look at an increase in thresholds without also considering what this government is doing to the health budget. This government, which has come to office on a promise of no cuts to health, has ripped another $2 billion from health this year. One billion dollars will be cut from programs that fund measures such as preventative health care, drug and alcohol rehabilitation, mental health programs and other crucial health programs. I can see why those opposite do not want to consider the impact that these cuts will have on vulnerable communities, but it is something that must be taken into account.

While an increase in the Medicare low-income thresholds is an appropriate, welcome and bipartisan measure, it is a measure which needs to be considered in the context of a budget that rips money away from health and takes money away from the most vulnerable. This particular measure enjoys bipartisan support, but the unfair measures in this budget most certainly do not.

*Mr FRYDENBERG* (Kooyong—Assistant Treasurer) (12:50): I would like to thank those members who contributed to this debate. The Tax and Superannuation Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Bill 2015 amends the Medicare Levy Act 1986 to increase the Medicare levy low-income thresholds for singles, families, single seniors and pensioners in line with increases in the consumer price index.

For individual taxpayers, no Medicare levy will be payable for those with income under $20,896 in 2014-15. Single seniors and pensioners with no dependents who are eligible for the seniors and pensioners tax offset will not incur a Medicare levy liability if their income is less than $33,044 in 2014-15. Couples and families who are not eligible for the seniors and pensioners tax offset will not be liable to pay the Medicare levy for 2014-15 if their combined income is less than $35,261, plus $3,238 for each dependent child. The amendments to the Medicare levy low-income thresholds apply to the 2014-15 year of income and future income years.

Couples who are eligible for the seniors and pensioners tax offset do not incur a Medicare levy liability when their combined income is less than $46,000. The low-income threshold for seniors and pensioners in couples will not be increased at this time, as this threshold remains sufficient to ensure that senior and pensioner couples who do not otherwise pay tax will not be liable for the Medicare levy. Full details of the measures in this bill are contained in the explanatory memorandum. I commend this bill to the House.

Question agreed to.

Bill read a second time.
Third Reading

Mr FRYDENBERG (Kooyong—Assistant Treasurer) (12:53): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Private Health Insurance (Prudential Supervision) Bill 2015
Private Health Insurance (Prudential Supervision) (Consequential Amendments and Transitional Provisions) Bill 2015
Private Health Insurance Supervisory Levy Imposition Bill 2015
Private Health Insurance (Risk Equalisation Levy) Amendment Bill 2015
Private Health Insurance (Collapsed Insurer Levy) Amendment Bill 2015

Second Reading

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

Ms KING (Ballarat) (12:54): I rise to speak on the Private Health Insurance (Prudential Supervision) Bill and related bills. These bills seek to transfer the prudential regulation functions of the Private Health Insurance Administration Council, or PHIAC, to the Australian Prudential Regulation Authority, or APRA, from 1 July 2015 and, in the process, abolish PHIAC effective from that date. As you can see, whilst this intention has been around for a while, it has taken the government some time to bring these bills on. Now we will be hitting the 1 July deadline very quickly. Again, one question why yesterday we had to spend eight hours debating a bill that all 150 members of this place supported when we have a bill which, if it is not passed by 1 July, will be a problem for the government.

The government cites as justification for these bills its commitment to smaller government, an end to unnecessary duplication and claims that this will over time result in lower costs for industry while ensuring the private health insurance industry remains stable and well regulated. Immediately what leaps out at you from that explanation is the complete lack of any mention of the benefits of this for the 13.2 million Australians now covered by private health insurance. There is no suggestion, in fact, that this move will in any way lower premiums, improve services or achieve anything other than the abolition of a regulator dedicated to both sides of the equation—health insurers and health fund members.

But what it does strongly suggest is that this is the first step towards removing all oversight of health fund premiums, as recommended by the Harper review and openly endorsed by the former minister. It must be remembered that this bill is not in isolation, because the Abbott government is simultaneously moving to abolish the designated Private Health Insurance Ombudsman. That was part of the overall package of smaller government recommendations, again in the name of smaller government. Once the dedicated regulator is gone and the dedicated ombudsman is gone, it will only be a very small step for the minister to declare that it is now too difficult to keep tabs on health insurance, particularly in relation to health...
insurance premiums, so the annual oversight of premiums can be dropped and it is open slather for the health funds.

Remember, this is now in an environment where for the first time there is not a big government-owned health insurer in there, competing along with the privately owned funds and the not-for-profits. With Medibank Private privatised, we now have a concentrated market largely driven by big health funds seeking to maximise returns for their shareholders. There are obviously, of course, in this space some not-for-profits.

It is worth taking a moment to identify why it was necessary to have a dedicated health insurance industry regulator and why Labor has concerns about handing this all over to a single insurance regulator which, to be blunt, has had a few problems in recent years doing its own original job. The Private Health Insurance Administration Council is an independent statutory authority that reports to the Minister for Health. On its own website, PHIAC says it aims to achieve an appropriate balance between fostering an efficient and competitive health insurance industry, protecting the interests of consumers of private health insurance and ensuring the prudential safety of individual private health insurers.

Equally, and in many ways just as importantly, PHIAC collates and disseminates financial and statistical data regarding health funds to enable consumers to make informed choices. Again, it is a terrific website. I often refer people to this. I know there are some commercial entities in this space, but the government has its own website where people can go and put in all of the information they need to find what might be the best value private health insurer for them. It is the privatehealth.gov.au website and it is a very good piece of information provided by government, not a commercial entity, and it contains all of the private health insurance products.

PHIAC’s database compares every single policy across the country and provides this information to consumers, as I said, in a simple and understandable format via its website. It is a critical resource. It is one of the few tools available to consumers to try and keep down the cost of health insurance by shopping around. As I said, it is a government piece of software. It is a website that includes all private health insurers, not just those that pay fees to a private supplier of that information, where you will not get all of the information. So it is a really important service.

Using the PHIAC website and answering a few simple questions—what state you live in, whether you are searching for a single or a family policy, whether you have dependents, whether you want hospital or just general cover, how much of an excess you are prepared to risk to keep down the premium and whether you want top, medium or basic cover—the website instantly sorts through all of the policies on offer, and there are many of them, and offers you 20 or so options and how much they cost. It is an extraordinary resource when one considers that PHIAC regulates 34 private health insurers offering 40,000—yes, 40,000—different products, taken up by 6.4 million policies covering 13.2 million Australians. Does anyone seriously think that a generic regulator of all insurance products can, in any way, provide the level of expertise needed to keep tabs on 40,000 different products? And all this comes at a minuscule administrative cost, which PHIAC estimates adds about 60c per person to the cost of an average premium. As PHIAC’s CEO stated recently, in the context of a $3,000, $4,000 or $5,000 annual premium, ‘That ain’t a lot to ensure that people are protected.’
Some of course might argue that we should just leave it to the market and they question why government should even have a role, especially now that Medibank Private is no longer government owned. Well, the facts are: private health insurance is very different from most other products because, by law, most of us who have private health insurance are required by government to take out this product, at quite considerable cost, or pay a substantial tax penalty. And then, in recognition of this cost, the same government which requires us to pay for this product spends well over $5 billion every year compensating us for that enforced expense. So, when a government forces millions of Australians to take up a very expensive product and then spends billions of dollars a year through the rebate compensating for this decision, this clearly requires detailed oversight to ensure both the taxpayer and the health fund members are getting value for money in that decision.

Right now, under this government, one would have to seriously question whether that is in fact the case. In February this year, the minister approved a 6.18 per cent average annual rise in health insurance premiums. That was the second-highest increase in a decade—second only because the previous year her predecessor had approved a 6.2 per cent rise. Both of those rises were higher than any of the six rises approved by the Labor government that preceded them. But, as complaints to my office reveal, for many members those increases go way beyond the average 6.18 per cent rise quoted by the health minister, with some premiums surging as high as 15 per cent or 16 per cent. This is clearly not affordable for many families, and it is no surprise therefore that the proportion of the population with private health insurance membership now appears to be flatlining for the first time in a decade.

At a time when the government wants to force patients to pay even higher out-of-pocket costs, $57 billion has been cut from our public hospitals, doctors are being forced to cut bulk-billing and charge higher gap payments, and the government is seeking to raise the cost of prescriptions, is it any wonder that families increasingly see private health insurance, or use private health insurance, as an emergency product? It is a compelling argument for why now is not the time for the government to be removing the few powers it has to keep downward pressure on premiums or potentially to be restricting or narrowing the information that is available to consumers about how they might shop around. With just five health insurers holding 83 per cent of the market, private health insurance is a relatively concentrated market. Whilst some people change insurers each year, inertia and a fear of waiting periods tend to keep people with the same private health provider.

Since 2007, health insurers wanting to raise premiums have had to seek approval from the minister for health. Under Labor health ministers Nicola Roxon and Tanya Plibersek, this was no tick-and-flick exercise. Insurers typically found their first request was denied and met with a demand for them to justify their fee rises. From 2007 to 2013, premiums increased on average by 5.35 per cent. Labor also provided $1.54 million to increase the Private Health Insurance Ombudsman's capacity to manage complaints and respond to consumer inquiries, and $2.3 million to establish the private health insurance Premiums and Competition Unit. And importantly, in 2012 Labor asked PHIAC to become the health minister's primary adviser on premiums. As the CEO of PHIAC stated, recently they accepted this request with enthusiasm because, 'In our view, that task matched up exactly with our broader statutory mandate: protecting consumers by promoting competition and ensuring the financial security of the industry.'
But, following the election of the Abbott government in 2013, newly appointed coalition health minister Peter Dutton waved through fee increases by the insurers with lightning speed, just days before Christmas, and not just any increase but 6.2 per cent—the largest increase since 2005. And who was the minister for health in 2005? Well, it was the member for Warringah, the current Prime Minister, who waved through consecutive eye-watering increases of 7.6 per cent in 2004 and eight per cent in 2005. Sadly, any hope that Minister Dutton's 6.2 per cent increase was a one-off was dashed when the current minister approved an almost identical rise of 6.18 per cent. That is three times the current rate of inflation and, for the average family with top hospital cover, amounts to a hit on the family budget of around $200. When it comes to slugging Australians with record health insurance premiums, this is a government which you would say has form on this issue.

The Abbott government clearly regards its powers over private health premiums as just another piece of red tape to be abolished, or, in fact, a nuisance. This is a serious mistake. The government having effectively forced many people through the system to enter into the private health insurance market under the threat of tax penalties, Labor believes the government does have a responsibility to do all it can to keep premiums as low as possible, and it is hard to see how that cause is in any way advanced by scrapping the dedicated health insurance industry regulator and, indeed, the dedicated health insurance industry ombudsman, as I have said in remarks on a previous bill in this place, especially when the replacement has a far from perfect record in looking after the rights of consumers.

In recent years, a number of parliamentary inquiries have been highly critical of APRA's failings in its oversight of a number of companies, including HIH and, of course, Storm Financial. As was noted in a recent article in the *Sydney Morning Herald*:

APRA has plenty on its plate already and the last thing it needs is a dilution of its focus by giving it additional responsibilities.

And health insurance is not just another form of insurance. As mentioned earlier, it is an extremely complicated product, with 40,000 different premiums on offer, with a bewildering combination of excesses, inclusions and exclusions that insurers can charge, almost at will and often, despite some of the regulations, with very little notice. As the current CEO of PHIAC said, in what he billed as likely his valedictory address to the Health Insurance Restricted and Regional Membership Association of Australia in Canberra just last month:

'The Australian version of private health insurance is a highly idiosyncratic beast, with curiosities such as community rating, risk equalisation, taxation surcharges, rebates and membership incentives, all interacting to form a cauldron of regulatory and commercial complexity. Private health insurance is a mystery for many Australians. They do not really have the capacity or the time to deeply understand the product, yet they know the day will likely come when they will depend on it. And of course, very often, that day is a day full of other stress as well—illness, injury, psychiatric disturbance, and the list goes on.'

That, in a nutshell, is why Labor has some very serious concerns about these bills and why they cannot simply be waved through. As such, Labor believes that these bills will require, in the other place, much deeper scrutiny, and we will be seeking to have the proposal to abolish PHIAC referred to a committee, so that that proper scrutiny occurs and so that there can be evidence in relation to the impact this bill will have on consumers in particular, and what impact it will have in relation to the very limited information that is available—and,
importantly, available through the government's own website—to at least enable consumers to compare products and what the government intends to do in relation to its obligations and responsibilities in the setting of private health insurance premiums.

Mr CHAMPION (Wakefield) (13:09): It is a great pleasure to follow the member for Ballarat in this debate on the Private Health Insurance (Prudential Supervision) Bill 2015. We can see the amount of interest on the government benches in their own bills! The health minister this morning did not even speak on the bill establishing a medical research fund, so it is a pretty extraordinary day for the parliament. We have had a bill where the minister did not articulate her views on medical research. And then the bill was guillotined. Yesterday they were against the guillotine. They voted against passing their own small business bill. So, you could forgive the public for being a bit untrusting of this government.

So much of what we do in our lives, particularly in societies like Australia, is based on trust. We certainly seek to trust institutions, not just governments but other institutions as well—things like private health insurance. And as the member for Ballarat was saying, the last thing you want in what is a pretty bewildering market is the idea—

Mr Tudge interjecting—

Mr CHAMPION: The minister across the table is talking about my wonderful tie. I bought this upon my election, actually. It is the tie I gave my maiden speech in. But back to private health: we do trust private health institutions. We pay our money and generally we do not look at the fine print. You are relying on two things. You are relying on the institution and its reputation and its ethical considerations in doing the right thing by the consumers of its product. You are also relying on the government to set up an institutional framework that actually underpins some of those ethical considerations and expectations we all have as consumers. And that is what allows us to trust institutions like private health insurance providers, or indeed any insurance provider, and that is what underpins fundamentally many of the transactions in our own community.

We know how damaging it can be to the public interest to have that trust undermined. As the shadow minister said, in cases like Storm Financial, we know that they are regulated by APRA and we know that there were certain failings there, and they have been articulated in various government reports. We do not want that same situation to occur here because the government, in a frenzy of red tape reduction, has undermined the things that protect consumer interest and in protecting consumer interest, reinforce the trust in civic institutions and commercial institutions in our society. We need to be very careful that that does not occur. That is why, when this bill goes to the other place, we will be referring it to a committee, which no doubt will look at those areas in some detail and get experts and others to give us submissions, to look at the framework to see whether this can be done without any detriment to consumers. It is one of those bills where I guess the devil will be in the detail, and we just need to be careful that in the frenzy of enthusiasm against regulation we do not undermine the very things that underwrite much of this commercial activity.

It is interesting that whenever we talk about private health—and we can see the interest on the government benches; they are packed in like sardines over there, listening to my speech on their favourite subject, private health! We normally get a few of them biting from over there.
Mr Hawke interjecting—

Mr CHAMPION: Mr Hawke is over there in the corner. Normally he would give us a contribution.

Mr Hawke: You haven't drawn a crowd of your own people.

Mr CHAMPION: Look at this; it's packed over here. Normally the member for Mitchell would give us an ideological spray; he would normally give us his ideological contribution and tell us all about how the private market was going to benefit us and how public systems let us down, but even he is not biting today. The fish are not biting. The drones from the coalition back bench are not biting. And I can tell you why. Last election they made a whole lot of commitments about private health, and this is one of the things they said in their Policy to Support Australia's health system on 22 August:

Importantly, a Coalition government will alleviate the burden on our public hospitals by reinvesting in private health insurance rebates as soon as fiscal circumstances allow.

And this is what the Prime Minister said on 25 August 2013:

Within a decade, the budget surplus will be one per cent of GDP, Defence spending will be two per cent of GDP, the private health insurance rebate will be fully restored, and each year, government will be a smaller percentage of our economy.

Well, we know what has actually happened. Interestingly enough, ABC Fact Check shows how this promise has been tracking—and the promise has stalled. Doesn't that tell you so much about this government!

The shadow minister, the member for Ballarat, spoke about what has in fact happened. On private health insurance costs—that is, what you pay—there has been no stalling in that department. It has been accelerated—fourth gear, flat out. We have a newly minted minister, Minister Dutton. There has never been a more reluctant health minister in the history of the Federation. He wanted to wreck the portfolio, to gut the portfolio and get out. He wanted to be finance minister or something like that. One of the first things he did, just before Christmas, was oversee an average premium rise of 6.2 per cent. That is the largest increase since 2005, when the Prime Minister, 'Mr Broken Promise', was health minister; and he had some very high health insurance premium rises—7.6 and eight per cent.

The current health minister, who is apparently an improvement on the member for Dickson, has agreed to a rise of 6.18 per cent. So we have got very, very rapid increases in the premiums consumers pay—there has been no stalling in that department—but the commitments the government have made about private health insurance rebates and the subsidies therein have not been met. And they will never be met, because they were not made in good faith. Everybody knows that to restore the private health insurance rebate would be a very, very costly exercise indeed; it would cost the Commonwealth and make a budget surplus unviable. They furiously and disingenuously opposed the very important savings Labor made when in government. They made irresponsible promises when they were in opposition, and they have now seen those promises stalled. Those promises have been broken.

What consumers have got instead is not relief from private health insurance premiums but an increase in premiums—additional pressure, higher costs. People have two choices—either pay or get out. If they get out, there are very serious consequences such as losing some of the privileges that you get under lifetime health cover.
This is a government that has got nothing at all to crow about in private health. That is why we see so few speakers on the government list, such little interest in what is normally one of their great ideological endeavours. Normally the member for Mitchell would get up to give a great speech about how the private market always benefits us and how the public system always lets us down. But even he has been struck dumb by this government's miserable record on private health and miserable record on public health. This is a government that is turning its back on the interests of health care consumers in this country, and it should stand condemned for it.

**Mr STEPHEN JONES** (Throsby) (13:19): Following the member for Wakefield in a debate on any matter—and on private health insurance in particular—is always an intimidating task. I am very pleased that the member for Mitchell is in the chamber at the same time. The bill before the House concerns private health insurance and the Private Health Insurance Administration Council, which was established in 1989. The council is responsible for monitoring the prudential performance of registered private health insurers. The council's role includes the registration of private health insurers; developing solvency, capital adequacy and prudential standards; publishing circulars and statistics on insurer activities and performance, which is a valuable source of information on what is going on in the industry; and administering the Risk Equalisation Trust Fund. Under this bill the PHIAC will cease to exist as a separate body and its prudential and regulatory functions will be transferred to APRA. Private health insurance is of deep concern to all members of parliament and to all Australians who are policyholders. It is also of deep concern and interest to all Australians who are taxpayers, because the industry is intimately linked with government health policy and government finance policy.

Witness the great debates we have had in this place over private health insurance and tax concessions to private health insurance policyholders over the years. The member for Rankin is in the chamber. He was very involved in some of the policies about ensuring that the growth in private health insurance rebates, which is one of the greatest costs in the health budget, was at a sustainable level. The member for Rankin and the member for Melbourne Ports would know that those opposite opposed the reforms we put in place when we were in government about ensuring that we had a steady control in that area of health expenditure. When they came to government and were faced with the responsibility of managing the treasury bench, they changed their view. They have not declared it, but they have not reversed any of the changes of the previous Labor government. That being the case, the industry receives about $5 billion in annual subsidies from the taxpayer. So prudential standards, the regulation of the industry and ensuring consumers get good value for money matters not only in terms of health policy but also in terms of the fiscal strategy of any government from any point in time.

The bill provides for the transfer of functions of the Private Health Insurance Administration Council to APRA from 1 July this year. It will provide for the continued imposition of levies upon private health insurance to fund those responsibilities, that is, APRA's supervision of the industry, the risk equalisation unit and the Risk Equalisation Trust Fund, and a levy to fund should there be a collapse of any particular insurer. I note that stakeholders have not yet had the opportunity to voice their views on the bill. We do not know what the views of the stakeholders will be, and we think that it is a matter of good public
policy development that the government should seek the views of stakeholders on the legislation. Perhaps when this matter gets before the Senate there will be the opportunity for that to occur. The bill, as we are told, has no financial impact. While the functions of PHIAC will move over to APRA, the functions themselves do not change.

Unlike the coalition, Labor in government put pressure on the health insurance sector to ensure that premiums, which inevitably will increase, increased at a sustainable rate, and the industry was put on notice to ensure that they were no higher than they absolutely needed to be. Labor provided $1.4 million to increase the Private Health Insurance Ombudsman’s capacity to manage complaints and to respond to consumer inquiries, and $2.3 million to establish the private health insurance Premiums and Competition Unit. These measures were put in place because we think it is appropriate, indeed, necessary. Bear in mind, that figure of over $5 billion, which I mentioned, in subsidies to the industry ensures that consumers, policyholders, get good value for money.

It is important to remember how the PHI industry has developed in Australia. When bills come before the parliament on this matter it is always an opportunity for us to talk about the important role PHI has played and how its role has changed over the last century. They started as friendly societies, particularly in communities such as my own where the state played a very miniscule role, compared to today, when it came to the provision of medical services in coalmining, agriculture and manufacturing areas where workplace injuries were all too common. Friendly societies and lodges created their own private health insurance companies to cover the cost of, generally, access to general practitioner services. They grew strongly over the course of the 20th century, but in the 1970s it was quite clear there was a problem. There was a significant problem in the industry and, indeed, a series of reviews of the PHI over that point in time discovered that they were, in fact, ineffective, inefficient and that 17 per cent of Australians outside of Queensland had no health coverage at all. Queensland was different, as you would know, Deputy Speaker Vasta, because of a different history of the health system in that state.

After the Whitlam government introduced Medicare and the Fraser government pulled it apart, the Hawke government re-established Medicare and Australians enjoyed universal health coverage, and PHI levels dropped. There was still a role for private health insurance particularly when it came to the provision of dental services, which today represent over 50 per cent of the claims received by private health insurance companies. So PHI still plays a role in relation to dental care, but rates were dropping. This moved the Howard government, which, at the same time as abolishing the Commonwealth dental program, introduced incentives which would encourage the take-up of private health insurance in the population. Eventually we moved to the lifetime cover provisions together with the rebates that I have already spoken of. That saw a significant uptake in private health insurance but also a significant increase in the cost to the Commonwealth of private health insurance. These things obviously had to be moderated to ensure that we had some sustainability within the industry.

Since coming to office the government have been very active in the health space. In fact more active than successful, but very active in the health space. They have had their targets set on universal health cover through the Medicare system with four different versions of the GP tax. We are seeing bulk-billing rates in general practice declining again after almost six
years of consistent increase. Of course there are significant cuts, over $55 billion worth of cuts, to our public hospital system. How is this relevant to private health insurance? As the Commonwealth takes deliberate steps to minimise, to shrink, to control the rate of growth within the public side of the health system, many patients are forced into the private side and are forced to rely even more on their private health insurance cover. This, as we argue, is going to put increased pressure on private health insurance premiums.

The architecture for the prudential regulation and the consumer protections in private health insurance are more important now than ever as the government, through a mean-spirited policy towards health care in this country, is shifting the burden towards private cover. We are going to see upward pressure on private health insurance premiums in this country. These are matters which need to be debated. We have a bill before the House and we expect more. As I said at the outset, there has been insufficient stakeholder consultation in this, and I sincerely hope that, when this bill comes before the Senate, there will be the opportunity for further scrutiny of the matters, which are of great public import and, I am sure, of concern to all members of the House.

The DEPUTY SPEAKER (Hon. BC Scott): It being almost 1.30 pm, the debate is interrupted in accordance with standing order 43. The debate may be resumed at a later hour.

STATEMENTS BY MEMBERS

Foundation for Rural and Regional Renewal

Ms McGOWAN (Indi) (13:30): Today I would like to welcome to Parliament House the board and staff of the Foundation for Rural and Regional Renewal. Established by the government in 2000, FRRR, as it is fondly known, has 15 years of grant making, enabling and building capacity, influencing and sharing best practice for philanthropy, and, principally, providing leadership. They have already delivered over $51 million in grants, and last year they gave $6.4 million in over 750 projects.

I am proud that three of these are in Indi: Ease into Access, the Benalla Aquatic Centre; Rehydration Station Benalla, the Rotary Club of Benalla; and the Last Pioneer, Harrietville Dredge Hole Recreation Reserve. Thanks, FRRR, for the work that you do. I had the pleasure last night of meeting with the chair, the Hon. Ian Sinclair; Ian Allen and Annie Grundrod, from my electorate of Indi; and the CEO, Alex Gartmann.

We had a wide-ranging discussion on the role of philanthropy, and I am proud to report that, in Indi, philanthropy is going well. We have at least seven community foundations who work to build community. I would especially like to mention two philanthropic trusts that were established after the 2009 bushfires: the Into Our Hands Foundation and the Greater Triangle. Congratulations on all the work you do. Thanks to all the volunteers, and may philanthropy long continue to grow in Indi.

Hayes, Ms Margaret-Anne

Mr RUDDOCK (Berowra) (13:31): It is always a unique opportunity for us, as members of the House of Representatives, to acknowledge remarkable Australians. I have one such lady, Margaret-Anne Hayes, known to me. She is the oldest participant of Can Too fundraising. I am sure all honourable members know that Can Too raises funds for cancer research. Margaret-Anne has already raised over $175,000.
The challenge to every member is to identify a constituent who can do as much as Margaret-Anne in raising money for cancer research. She plans to hit the target of half a million dollars, and she is doing this through feats such as holding balls at our Hornsby RSL. She has trained other groups of fundraisers, who, in turn, have raised $1.5 million. She has sold her home-made chutney, she has shaved her head, and she has even sky-dived from a plane, at the age of 73. I have been very fortunate to know her and to support her activities. She had her 75th birthday recently. I wished her well, and I am sure all members will join with me in wishing her many happy returns.

**Honourable members:** Hear hear!

**Education Funding**

Ms BIRD (Cunningham) (13:33): I am particularly concerned to draw to the attention of the House today the impact of the $30 billion in cuts over 10 years that this government has made to school education funding, including not continuing with years 5 and 6 of the Gonski funding, despite making the promise to people before the election that if they voted for the then opposition—who are now the government—there would be absolutely no difference to the funding commitments that Labor had made.

What does that mean locally? Locally, it means over $198 million over ten years has been cut from my local schools. I am meeting with the schools next week and the New South Wales Teachers Federation in my local area to talk about what schools have been doing with this money, and what they stand to lose. At Kiera High School, every Aboriginal student has a teacher mentor and access to the AIME program, and they have been delivering Aboriginal studies to every year 7 student. They also have an increasing number of students with English language or dialect challenges, and they have been providing additional assistance to them. The school has purchased three 3-D printers to allow exposure to new technologies. At Woonona High School they have reduced class sizes and increased curriculum choices, which has meant that 48 per cent of year 12 students last year went on to university and 39 per cent to TAFE. The total figure of 87 per cent was up from 57 per cent in 2012. Restore funding—(Time expired)

**Jarvis, Councillor Barry**

Mr NIKOLIC (Bass—Government Whip) (13:34): I want to pay tribute today to a leader of the Tasmanian community from my electorate of Bass, who very tragically lost his life yesterday. Councillor Barry Jarvis was the Mayor of Dorset, in Tasmania's North-East. He was also the President of the Local Government Association of Tasmania. Barry was first elected to the Dorset Council in 2007. Two years later he was elected as mayor and was re-elected unopposed at the most recent local government elections. He had a diverse background, having been a miner, a retailer and, most recently, ran a successful real estate agency, with branches in his home town of Bridport and in Scottsdale.

Most importantly, Barry Jarvis was a strong voice for his community and a vocal advocate for the timber and forestry industry. He understood the importance of sustainable forestry and knew how the regressive policies of the past had gutted his local community, seeing many young people leave and businesses close. He was a strong opponent of the Tasmanian Forests Agreement and was delighted when it was torn up.
Barry Jarvis always looked forward, not back. We worked closely together to deliver the $2.5 million Blue Derby Mountain Bike Trails, which hosted the 2015 Cross-Country Marathon Championships last May. Many interstate competitors said it was the best mountain bike trail they had ever seen, combining a wonderful course and spectacular natural beauty.

I express my sincere condolences to Barry Jarvis's family, his wife Terri and their friends.

**Education Funding**

Dr CHALMERS (Rankin) (13:36): Last week I had the pleasure of joining the terrific kids of class 2S at Woodridge North State School during their annual book fair. I read with Miss Sonboli's class *The Last King of Angkor Wat*, by Australian author Graeme Base, and fielded some really terrific questions. The school was using the book fair to celebrate reading and to raise much-needed funds for their school. This side of the House supports our schools while that side cuts their funding. Principal Muriel Collins told me afterwards:

We need the certainty of ongoing needs-based funding in low SES, culturally-diverse schools like mine.

I could not agree more with her sentiments. Among the many short-sighted cuts of the Abbott government, their cuts to schools have got to be among the most unfair and unwise. In my community, it means $230 million will be taken out of local schools in the next decade. Across Queensland, it will be $6.3 billion, and across Australia it will be $30 billion.

Speaking to principals, they tell me these cuts will mean: less individual support; fewer subject choices; less support for students with disability; literacy and numeracy programs will be cut; music, sport and learning support will all be cut. This year's budget has done nothing to reverse the biggest cuts to schools in Australian history. This side of parliament knows that education is an investment in our future. On behalf of schools like Woodridge North in my electorate, we will continue to fight these unfair cuts to education.

**Bonner Electorate: Centenary of Anzac**

Mr VASTA (Bonner) (13:38): I rise today to acknowledge and thank the Wynnum RSL Sub-Branch, Manly-Lota RSL Sub-Branch, Holland Park-Mt Gravatt RSL Sub-Branch and the Brisbane East and Bayside branches of the National Servicemen's Association of Australia. These committed volunteers made the centenary of Anzac celebrations a truly remarkable day in Bonner. Down at the foreshore at Wynnum, the dawn service was expected to attract roughly 1,000 attendees. In a touching and emotional tribute to the sacrifice and bravery of our servicemen and servicewomen, that expectation was dramatically eclipsed, with attendee numbers reaching closer to 10,000. This incredible support was mimicked right across Bonner.

Such involvement and connection is what defines our community. It binds us in shared traditions, encourages community and builds friendships based on the values that make our nation great. Congratulations again to those in my electorate who facilitated this time of great community involvement. It was their superb management and planning that allowed the community to share in a moment of solemn remembrance. Their contributions continue to do us a service, and the parliament recognises their hard work and dedication.
Education Funding

Ms BURKE (Chisholm) (13:39): Deputy Speaker:

… we will honour the agreements that Labor has entered into. We will match the offers that Labor has made. We will make sure that no school is worse off.

Those were Tony Abbott's exact words promising full funding of the Gonski reforms in 2013.

'We haven't seen a cent of the Gonski money.' These were the plain and simple words of Peter Wright, the principal of Koonung Secondary College in Mont Albert North, just yesterday. Peter is incredibly frustrated. Koonung is a great school, but you would be forgiven for believing it is at the bottom of every government's priority list. This is a school that was set for a $13.8 million rebuild by the Brumby Labor government in 2010. This was then scrapped by the Baillieu-Napthine Liberal government in 2011. Funnily enough, Koonung suddenly appeared on state member Robert Clark's agenda and radar. After 26 years he discovered that down the road he had a really good school, and he promised $8.8 million for a rebuild by the Liberals in the 2014 election. Sadly, this was not matched by a Labor promise.

This is a great school with great teachers and students who achieve excellent results, but they are living in buildings that are now outdated and overcrowded and in need of major maintenance and repair. With 130 families eligible for the educational maintenance allowance, the school is in desperate need of the needs based funding they were promised by Tony Abbott. They have received nothing. In fact, Peter is clear: they have actually been getting less and less funding over the past few years. This is the story of just one school in Melbourne's leafy green suburbs. It is a small sample of the damage the Abbott government is doing. There has been a cut of $194 million from education funding in my electorate. It is just not good enough.

Braddon Electorate: Illicit Drugs

Mr WHITELEY (Braddon) (13:41): Deputy Speaker:

Ice is an insidious drug that paths its destruction through individual users, their families and our communities. Urgent but considered action is needed by all levels of government and our local community not only to halt the advance of this drug in regional areas but to eradicate it.

That was the introduction to my submission to the federal government's ice task force. The north-west community, like so many other regional communities, is deeply concerned about the devastation that this drug can bring. That is why I have made combating ice a priority and will do everything I can, together with the government and this parliament, to support the community, law enforcement and front-line workers to rid our streets of this toxin. Since being elected, I have hosted a large community forum in Smithton, hosted a round table meeting with the federal Minister for Justice and have met with front-line workers, including health workers, rehabilitation specialists, law enforcement and current and former ice addicts.

These meetings have helped me to understand the difficulty in eradicating this drug and to formulate my submission to the task force. I have asked all constituents to provide their feedback because so often we focus solely on what professionals have to say while neglecting the general public. I have included constituents' comments in my submission. While submissions to the task force have now closed, I will continue to work with everyone in the north-west community to put a stop to this drug that is wrecking lives, breaking the hearts of families and devastating our communities.
**Education Funding**

**Mr STEPHEN JONES** (Throsby) (13:42): Before the last election I visited Dapto high school and I asked them: what would the Gonski reforms, if fully implemented, mean to a school like this in my electorate? They were well prepared for the answer. They said that around $1.4 million in extra funding would flow to their school, the equivalent of about 16 extra teachers, which would enable them to have special needs teachers in every faculty, enable them to improve their teaching and their facilities for their autistic students, enable them to upgrade their facilities and enable them to provide more resources for their Aboriginal and Torres Strait Islander students as well as other at needs students. You can imagine that when they heard that the now Prime Minister, Tony Abbott, said before the election that the Liberals were on an absolute unity ticket with Labor when it came to school funding they drew some confidence from that statement. Frankly, that confidence has been dashed because what we have seen is millions of billions of dollars' worth of cuts to schools. In New South Wales, $9.5 billion worth of cuts.

*Mr Tudge interjecting—*

**Mr STEPHEN JONES:** The member for Aston may not believe me, but he may believe the National Party member and Minister for School Education in New South Wales, who says:

Schools in regional areas, as well as disadvantaged and Aboriginal students, will be the hardest hit.

He lists a catalogue of implications and cuts as a result of this broken promise. *(Time expired)*

**Robertson Electorate: Central Coast Mariners**

**Mrs WICKS** (Robertson) (13:44): The Central Coast community is passionate about sport, and in Gosford we have the home ground of a club that has so much to be proud of in its short history. The Central Coast Mariners are entering their 11th season in the A-League and boast a proud record, including a championship trophy. But, of course, the true heartbeat of the club is its supporters, the yellow army, with more than 6,000 members. This year the Mariners are asking: ‘Are you in?’ and I am proud to say that, yes, I am in for season 11. Good luck to CEO Shaun Mielekamp, coach Tony Walmsley, captain Nick Montgomery and outgoing skipper John Hutchinson, a Mariners legend who is now moving into a coaching role. I am in because it is all about standing up for the Central Coast and for our great community—because it is not just about the Central Coast Mariners but also about the 10 football clubs in my electorate, who you will see at parks and ovals across the coast every weekend. There are the Avoca Sharks, East Gosford Rams, Gosford City Dragons, Kariong United Cougars, Kincumber Roos, Mountain District Football Club, Southern and Ettalong United, Terrigal United, Umina United Eagles and the Woy Woy Roosters football club.

It is also great to see the Mariners engage with these young stars of the future by attending training sessions, by inviting them to play on the field at half time and by committing to play more games next season at Central Coast Stadium. I am supporting the Mariners and our 10 great football clubs in my electorate because I am passionate about our community—and I proudly wear my yellow and navy in parliament today.
**Education Funding**

Ms CLAYDON (Newcastle) (13:45): Before the election, the Prime Minister promised no cuts to education and that his government would be 'on an absolute unity ticket' when it came to school funding. The Minister for Education said:

… you can vote Liberal or Labor and you'll get exactly the same amount of funding for your school.

Rather than keep its promise, however, the government has cut $30 billion from our classrooms over the next decade, including the vital fifth and sixth years of the Gonski reforms. This means in my electorate of Newcastle a cut of $195 million. This is the biggest ever cut to our schools and will mean: an average cut of $3.2 million per school, the same as sacking one in seven teachers; less individual support; less support for students with disability; literacy and numeracy programs cut; learning programs cut; and less training and support for teachers.

State premiers, Liberal and Labor, are opposed to this cut. In fact, New South Wales Premier Mike Baird described these cuts as 'a kick in the guts'. The New South Wales Liberal Minister for Education said:

Schools in regional areas, as well as disadvantaged and Aboriginal students, will be the hardest hit.

This will include schools in my electorate—schools like Waratah West Public School, which I will be visiting tomorrow morning to serve breakfast, to ensure that those kids get the very best possible start to their learning day they can. We on this side of the House know that education is an investment. It is time the Prime Minister kept his promise not to cut education, reversed these cuts and followed through with the Gonski reforms. *(Time expired)*

**Hindmarsh Electorate: Tamil Community**

Mr WILLIAMS (Hindmarsh) (13:47): The international Tamil conference and seminar, held last weekend, was the first of its kind to be hosted in Australia for the Tamil people. There are many thousands from the Tamil Nadu state in southern India now living in Australia. Like many other migrant communities, they make a great contribution to our country. In fact, the Adelaide Tamil Association banner states 'Working for the community'. Hindmarsh is home to many wonderful Indian restaurants and businesses, including a number from the Tamil community such as the Charminar grocery store at Plympton. The Adelaide Tamil Association is a non-profit cultural organisation serving the Adelaide Tamil community and will strive to maintain Tamil culture, education and community activities. I want to thank the president, Mr Lawrence Annadurai, the secretary, Mr Norton Antony, and the many other members of the association whom I met for their warm hospitality.

It was great that the government of Tamil Nadu and the world Tamil association chose Torrensville Primary School in my electorate to facilitate the event. The two-day seminar and workshop covered teaching, education and development of the Tamil language and culture for communities outside India. The event follows the highly successful visit of the Tamil Nadu government to Adelaide in February this year. It was great to talk to Dr Pasumpon, the chairperson for world Tamil association, along with educators and scholars. Prior to welcoming guests, I had the opportunity to witness young children learning the Tamil language. They love their Sunday school lessons for two hours. I look forward to further engagement, including visiting Kumar's restaurant, the Banana Leaf, in Currie Street. *(Time expired)*
Education Funding

Mr ZAPPIA (Makin) (13:48): Amongst the most shameful broken promises of the Abbott government was the $30 billion cut to education funding. Before the election, the government's narrative was that there would be no cuts to education. Then, in the 2015-16 budget, we saw more cuts, including a $131 million cut from several education programs. One of the programs cut was the Endeavour Language Teacher Fellowships. The program was introduced by the Howard government in 2003 and had Labor's strong support. It financially supported language teachers, who travelled overseas to improve their language skills. This was an invaluable program, providing teachers with in-country experiences, including language instruction courses and opportunities to learn about the culture of the language they were teaching. It was a program that was accessed and endorsed by teachers in the schools that I represent.

The cuts are in stark contrast to the government's rhetoric about the importance of teaching language in schools. Learning other languages, particularly the Asian languages, will become increasingly valuable if Australia is to capitalise on the opportunities presented by the Asian century. I call on the government to reverse this penny-pinching cut, put its money where its mouth is, support the teaching of languages in Australian schools and restore the Endeavour Language Teacher Fellowships.

O'Connor Electorate: Combined Schools Anzac Event

Mr WILSON (O'Connor) (13:50): I rise today to commend the schoolchildren of the Great Southern for hosting their very own combined schools Anzac event on the eve of Anzac Day. I could not have been more proud to witness the spectacle of over 2,000 schoolchildren from 34 schools marching en masse down York Street, led by the Great Southern Grammar school pipe band. Arriving at the Anzac Peace Park on the waterfront, I was mesmerised by the kaleidoscope of multi-coloured uniforms as students tiny and tall marched proudly past the dais to acknowledge dignitaries, RSL veterans and, in particular, special guest retired Air Chief Marshal Sir Angus Houston.

The service was performed almost entirely by local students, with Casey Wilmore from Albany Senior High School presiding as master of ceremonies. The welcome to country was performed by Tahliah Dimer from Great Southern Grammar School, and prayers, poetry recitations and readings followed, with almost every Albany school represented. Michael Taylor from Albany Senior High School gave the keynote address—a moving first-person account of a soldier's journey from Albany to the battlefields of the First World War. A moving Last Post was played with precision by Carl Evers of North Albany Senior High School, as the chilly Albany wind whipped through the crowd, a timely reminder of the hardships our forebears endured in the trenches and in the fields. After a poignant address from Sir Angus Houston, the choir performed a moving rendition of Glyn Lehmann's Anzac ballad The Green Hills of Albany. I congratulate each and every student for their amazing tribute to our Anzac history and look forward to the part you all play in Australia's future.

Education Funding

Mr CONROY (Charlton) (13:51): I rise today, sadly, to talk about one of the greatest betrayals the Prime Minister and Liberal Party labelled against the Australian public before the last election—that is, their ferocious untruth about education that, no matter who you vote
for, 'you will get exactly the same amount of funding for your school'. That was a blatant
untruth. It is an untruth represented by a $30 billion cut to education funding to this nation. It
is a betrayal, a cut, that means that schools in my electorate of Charlton will be $163 million
worse off; a betrayal, an untruth, that means that schools in the Hunter will be $900 million
worse off; a betrayal, an untruth, that Premier Mike Baird said was a kick in the guts to New
South Wales, and he is right. It is a kick in the guts to every student and to every family in
New South Wales who wants the best possible start for their kids. And it is something that
those on the other side proudly stand for: a $30 billion cut to education.

But, on this side, the Labor Party are the party of education and we are proudly fighting
these cuts. We are proudly fighting to return that $163 million of funding to Charlton schools,
the $900 million of funding to Hunter schools and the $30 billion of funding to Australian
schools because we know the beauty of education—how it empowers people and gives them
the best start in life. Those on the other side stand for untruths and betrayal, saying anything
and doing anything to get into power and then cutting loose, and cutting, cutting and cutting.

Western Australian of the Year Awards

Mr WYATT (Hasluck) (13:53): The strength of our community is due to selfless
individuals providing countless hours helping others. In Western Australia, we recently
celebrated the efforts and achievements of these individuals with the 2015 Western Australian
of the Year Awards.

Congratulations to Peter Prendiville on winning the business award. Peter is an active
community member in the electorate of Hasluck and is the owner of Sandalford Wines in the
Swan Valley. Peter is a strong force in the business arena, and I know Peter's extensive time
in the community supports him in his role as Chairman of Tourism WA.

I would also like to especially congratulate community award finalist Neville Bassett.
Neville lives in my electorate and has contributed greatly to the Western Australian
community with his dedication to the Royal Flying Doctor Service of Australia. Neville is a
chartered accountant by day and a hero to many, and his nomination for the community award
was well deserved.

I would like to commend all nominees and winners for their services to the local
community and for contributing to the great state of WA. In particular, I would like to
acknowledge Robert Isaacs, the winner of the Aboriginal award and the overall winner of the
Western Australian of the Year Award; Henry Boston, for the arts and culture award; Ros
Worthington, for the community award; Frank Cooper, for the professions award; Rhys
Williams, for the youth award; and Andrew Vlahov for the sport award. Andrew's
contribution goes way beyond sport. He contributes to youth within the community, giving up
his invaluable time to help others so that WA becomes a greater place.

Education Funding

Mr GILES (Scullin) (13:54): Before the election, Tony Abbott, now the Prime Minister,
said that the Liberal Party were on an absolute 'unity ticket' when it came to school funding;
and the member for Sturt—now, shamefully, the minister responsible for education—said—

An opposition member: There he is.

Mr Pyne: That's me!
Mr GILES: I am very pleased he is in the House! He said he would remember this:

… you can vote Liberal or Labor and you'll get exactly the same amount of funding for your school. How's that going, Minister? How's that going? The broken promises, this egregious breach of faith, on education by this government will cost schools in Scullin $201 million—$201 million ripped out of schools in Scullin.

Government members interjecting—

Mr GILES: And members opposite add insult to injury with their contemptuous behaviour, compounding the breach of faith. I echo the words of the Victorian education minister, James Merlino, who said:

The funding has been ripped away from our most disadvantaged students, and could have paid for more than 8,000 teachers, or more than 10,000 allied health staff like psychologists, speech pathologists, welfare workers and physiotherapists.

I recently visited Watsonia North Primary School, and Principal Tina King was eager to impress upon me the need for state and federal governments to give schools the full Gonski money. The Andrews Labor government of Victoria has delivered on its part of the funding. It is time for the Abbott government, and the minister, to keep his promise.

Petrie Electorate: Redcliffe Leagues Club

Mr HOWARTH (Petrie) (13:56): I rise to talk about a local sports club in my electorate, Redcliffe's Dolphins. They have a proud history on the Redcliffe peninsula and employ more than 200 people locally. The Redcliffe Leagues Club has almost 30,000 members and continues to support the local community by providing function rooms, restaurants and a health precinct. It has even opened a new local shopping centre. The club also supports the personal development of more than 800 junior Rugby League players, as well as other sports like netball, cricket, Dolphins hockey, and soccer. I would like to thank the club CEO, Tony Murphy, and the Dolphins staff for the great work that they do locally.

Thanks also to the hundreds of local people in my electorate who signed my petition for an upgrade to the Dolphins stadium. An upgrade will mean not just an increase in seating capacity but also larger events and more sports being played in Redcliffe. It will mean more local jobs and more local tourism and it will, in turn, benefit other small businesses. I would like to see federal funding contributed to the $12 million project. Whilst it did not receive Stronger Regions Fund money, I will continue to advocate for this project. I want to thank the local council for contributing. Unfortunately, the state government have said no. But as the local federal member I will continue to advocate strongly for this project.

Education Funding

Ms RYAN (Lalor—Opposition Whip) (13:57): When the former, Labor government commissioned a report to see how our schools across this nation could be improved and asked the question, “How can we have a smarter and more prosperous nation?” the answer in the Gonski report was clear. The answer was clear: a lack of equity is holding this country back. The answer was that we needed a sector-blind, needs-based system. In shorthand, we called it Gonski. The whole country calls it Gonski. And this government promised before the election that they would deliver on Gonski, the Gonski program the whole country understood to be about something that was sector blind and needs based.
But what have we got in my electorate of Lalor, where we have the most students of school age in the country, 33,000 students? We face a cut—a cut of $277 million to the programs in my schools. We know what that means in Lalor. We had the advantage of the national partnerships scheme! We know what it means. We know that it is going to be a long-term negative for my community and for this country. Prosperity requires equity. Go and fix it, Minister Pyne! Go and fix it. (Time expired)

Small Business

Mr BROAD (Mallee) (13:59): I want to talk to the Australian parliament about just how much confidence there is among small businesses across Australia at the moment. The small businesses in my electorate suffered from the bad water management of the previous government, they suffered from the carbon tax, they suffered from the shutdown on live exports. And now they have confidence. They have seen what a strong government can do, with accelerated depreciation, with $20,000 write-offs. We have got the cattle trade open. I want to point out to the Australian people that this is a government I am proud to be part of.

The SPEAKER: It being two o'clock, in accordance with standing order 43, the time for members' statements has concluded.

QUESTIONS WITHOUT NOTICE

National Security

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:00): My question is to the Prime Minister. There is no more important task for the government of Australia than keeping Australians safe, and there is no task that Labor takes more seriously than national security. When will the Prime Minister provide a briefing to Labor on the citizenship proposals that have already been discussed at cabinet?

Mr ABBOTT (Warringah—Prime Minister) (14:00): I understand that there has been toing and froing between my office and the Leader of the Opposition's office. My office has agreed that a briefing will be provided to the Leader of the Opposition as soon as the legislation has been introduced into the parliament.

Opposition members interjecting—

The SPEAKER: There will be silence on my left! The member for Petrie has the call.

Small Business

Mr HOWARTH (Petrie) (14:01): My question is to the Prime Minister. Will the Prime Minister inform the House how action to increase exports and support small business will create jobs and opportunity in my electorate of Petrie, and all around the country?

Mr ABBOTT (Warringah—Prime Minister) (14:01): I thank the member for Petrie for his question, and I thank him for the support that he gives to the 8,000 plus small businesses in his electorate, some of whose representatives I was able to meet in February at the Dolphins rugby league club.

Our economy is fundamentally strong, and it is getting stronger. Yesterday's national accounts figures show that our economy grew by 0.9 per cent in the March quarter, and that was well above expectations. The latest statistics show that in the March quarter export volumes were up five per cent, and that is the best quarterly result in 15 years. In the March quarter, housing construction was up by almost 5 per cent. Again, that is the best quarterly
result in six years. Confidence is strong—with the Westpac index up by more than six per cent after the budget. Jobs growth is strong. It was four times stronger last year than it was in 2013, and there are over 250,000 more jobs in our economy than there were at the election. A strongly performing economy does not happen by accident. It happens because Australia is open for business; because this government is open to business.

Since the election we have abolished the carbon tax. We have abolished the mining tax. We are rolling out the biggest infrastructure program in the history of this Commonwealth. We have provided environmental approvals to some $1 trillion dollars worth of new projects. We have cut red tape costs by $2 billion a year. We saved $30 billion in last year's budget. And, most importantly, we have secured free-trade agreements with China, with Japan and with Korea, our three largest export markets, covering more than 60 per cent of our merchandise exports. We are building on last year's tax cuts in this year's budget with the biggest small-business tax cuts in our history.

Today I went to Elite Meats, in Holt, here in Canberra. They became famous the day after the budget by putting a sign in their windows saying 'thank you Joe Hockey' for at last recognising the contribution that small business makes. I can report to the House that Elite Meats is buying an automatic meat slicer, thanks to the instant asset write-off that the Treasurer brought in, and this is happening right around our country. This is a government that is backing the people who are having a go, because that is the Australian thing to do.

Cabinet

**Mr SHORTEN** (Maribyrnong—Leader of the Opposition) (14:04): The safety of citizens is the first responsibility of government. Cabinet is the highest level of government. Given that leaks from cabinet are a criminal offence punishable by two years in prison under section 70 of the Crimes Act, what action has the Prime Minister taken to address the serious leaks from his cabinet regarding national security?

**The SPEAKER:** There will be silence on my right! The Prime Minister will resume his seat until his own frontbench is quiet. The Prime Minister has the call.

**Mr ABBOTT** (Warringah—Prime Minister) (14:05): I am absolutely delighted to get a question from the Leader of the Opposition about last week's cabinet meeting, because last week's cabinet meeting made a decision—a clear decision to strengthen our national security.

**An opposition member:** There was nothing clear about it! Where is the bill?

**The SPEAKER:** The member for Corio!

**Mr ABBOTT:** because we believe that anyone who takes a gun and a knife to an Australian because of who we are, has utterly forfeited any right to be considered as one of us. What was the Leader of the Opposition's response?
Mr ABBOTT: He said that stripping the citizenship from terrorists with dual nationality was dog whistling. That is what he said. We do not believe it is anything other than a very sensible approach to protecting the people of Australia. That is what it is. For the Leader of the Opposition, the alternative Prime Minister of this country, to describe as dog whistling something which is designed to protect our national security just goes to show how unfit for leadership this man really is.

Mr Champion interjecting—

The SPEAKER: The member for Jagajaga will desist!

Mr ABBOTT: I am pleased that the Leader of the Opposition has finally learnt what we have been saying to him for many months now—that the safety of our country is the first priority of government. I am pleased that he has so learnt that that he has repeated it twice in question time today.

Opposition members interjecting—

Mr Thistlethwaite interjecting—

The SPEAKER: The member for Kingsford Smith is warned. Before I call on the next question, I simply say that I know this is the Thursday of the second sitting week and behaviour is usually appalling on that day, but I am not intending to tolerate it.

Budget

Mr HOGAN (Page) (14:08): My question is to the Treasurer. Will the Treasurer outline how the government is promoting economic growth and how the budget is strengthening the Australian economy?

Mr HOCKEY (North Sydney—The Treasurer) (14:08): I thank the honourable member for Page for that question, noting that he is also someone who worked in a small business, who comes from a small business family. Of course many small businesses are family businesses. They often employ other members of the family as well as the children and the parents—cousins and aunts and uncles—and those who are not related often become family in a small business. The member for Page knows that. That is one of the reasons why, when we were formulating the recent budget, we were very mindful that if we could put in place measures that helped to strengthen small business—the two million small businesses in Australia—then that would help to strengthen the Australian economy. I am pleased to say that the small business package passed through the House of Representatives today, on time, as it should have—
Mr Burke: Ha!

Mr HOCKEY: Do you think it is funny? You do not like small business, do you? You turned a lot of big businesses into small businesses when you were in government, and now you do not like small businesses again. Labor had five small business ministers in 15 months. Everyone in the Labor Party wanted to be small business minister—but they only got through five in 15 months. Their love of small business was short lived; our love of small business is continuing and enduring because so many on our side come from small businesses. The small business package was calibrated to focus on lifting the tide for all businesses—if you have a strong small business sector out there it helps medium-sized businesses and it helps big businesses as well. That means more jobs, and we welcome that. Of course you are going to find from time to time that you have headwinds but obviously when you have an economic plan, as the coalition government does, you can continue along the path despite the headwinds. The Secretary-General of the OECD, Angel Gurria, said overnight when he was asked by the Australian ABC about how Australia's budget was going:

I think what is being done by Australia is also what is being done by countries in Europe and ... United States—in the face of changing circumstances you adapt but you don't lose the main direction, the main aim, which is to make public finances sustainable over time.

The head of the OECD said we were doing a very good job in maintaining the momentum in fixing public finances. As the Prime Minister said, in the first three months of this year we had one of the fastest growing economies in the developed world. We had that growth despite the pressures of falling iron ore prices and despite the pressures on coal prices. We had one of the fastest growing economies in the world, and that is good reason for Australians to be proud.

DISTINGUISHED VISITORS

The SPEAKER (14:11): I advise honourable members that we have present on the floor of the House from Cuba Minister Kenya Serrano, who is also the President of the Cuban Friendship Institute, together with the Cuban Ambassador, His Excellency Mr Jose Galego Montano. We make you most welcome.

Honourable members: Hear, hear!

QUESTIONS WITHOUT NOTICE

National Security

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:12): My question is to the Prime Minister. The Prime Minister knows that we have already agreed in principle, and said so publicly, that dual citizens who fight against Australia with a terrorist group should be stripped of their right to be an Australian. So why is the Prime Minister persistently undermining constructive bipartisanship on national security?

Honourable members interjecting—

The SPEAKER: We are dealing with serious issues and we will have silence so we can hear the answer.

Mr ABBOTT (Warringah—Prime Minister) (14:13): If in fact today the Leader of the Opposition and other frontbenchers have said, after eight days of playing politics, that they are prepared to support the legislation that we will bring in in the next week or so, I ask
simply: why did he called it dog whistling yesterday? Why did the Leader of the Opposition quite audibly, across the table, to me and to my frontbench colleagues, call this legislation dog whistling? I am pleased that the Leader of the Opposition now appears to be prepared to support it but, if he is prepared to support it today, why did he call it dog whistling yesterday?

Mr Burke: Madam Speaker, I rise on a point of order. The Prime Minister is now referring to legislation that he claims does not exist.

The SPEAKER: There is no point of order, and the Manager of Opposition Business knows it.

Mr ABBOTT: I am pleased if the Leader of the Opposition has changed his position overnight. Yesterday it was dog whistling, now it seems it is legislation which is necessary in the national interest. It is important that, as far as is humanly possible, there can be a bipartisan approach to national security in this parliament. I am pleased that, substantially, there has been a bipartisan approach, so far, in the life of this parliament. As far as I am concerned, as far as the government is concerned, we will provide all appropriate briefings in a timely fashion to the opposition, to opposition frontbenchers, so that, as far as is reasonably possible, the bipartisanship on this important issue can be maintained.

Mr Marles interjecting—

The SPEAKER: The member for Corio is warned.

Small Business

Mr PALMER (Fairfax) (14:15): My question is to the Treasurer. With 556 companies being wound up in May by the Australian government—77 per cent of all wind-ups in Australia and twice as many as in July 2014—why has the government dropped the threshold level for wind-ups from $300,000 to $30,000? Does the government really support small business? Why not adopt a chapter 11 system to keep Australians employed and businesses going?

Mr HOCKEY (North Sydney—The Treasurer) (14:15): I thank the honourable member for his question. It is an issue that has been hotly discussed over the years—whether Australia goes down the path of having a chapter 11 equivalent to the United States. I well recall this from when I was Minister for Financial Services and Regulation. In the development of CLERP, the Corporate Law Economic Reform Program, we had a good look at it around 1998-99. One of the reasons we did not go down that path was that in Australia there are a number of options available such as the appointment of administrators—obviously the court can appoint administrators and so on. The most important thing we can do in relation to this is keep the door open for positive changes that will help small businesses in particular, as the honourable member said, to basically work their way out of difficulties should the opportunity arise and, importantly, not in any way create credit problems for banks that are primarily the lenders to those small businesses.

What we have seen over recent times—in fact, the last decade—is that a larger number of small businesses are using their homes as equity and security for credit. That has an upside and a downside. Obviously, there is a very significant cost to the individual and their family if the business fails. In relation to where there is unsecured lending to small business, the banks obviously charge much higher interest rates. We have commissioned a productivity report...
into this. The draft report from the Productivity Commission has been made available. That addresses a number of those issues. The government has not provided a final response yet.

But I would just say this: whenever you make credit more affordable, more accessible, you should only do so where you are sure that credit risk is preserved. There is a danger that it can undermine the quality of the risk book in financial institutions and, if you make it harder for the lenders to recover the money that is owed to them, make lending to small business far more expensive. We do not want any unintended consequences associated with any of the decisions. That is why the government is, in a measured way, considering the Productivity Commission report.

**Small Business**

Ms SCOTT (Lindsay) (14:19): My question is to the Minister for Small Business. Will the minister inform the House how cutting taxes for small business will help grow jobs and the economy? What has been the response from the small business community to the government's budget?

Mr BILLSON (Dunkley—Minister for Small Business) (14:19): Thank you to the member for Lindsay. She is a product of a family enterprise that has been an institution in Penrith. She has been a great supporter of small business, and I thank those members opposite that are clearly great supporters of mine. Thank you for that.

The response to the budget has been completely overwhelming and positive for the 10,222 businesses in Lindsay. I have not met them all but I have met many on my visits to Penrith and with the member for Lindsay. The most recent was when we joined dozens of local small businesses at The Creative Fringe smart hub and Debbie O'Connor. What a great story! A home based business that Debbie ran, it went well. She is now hosting not only her own business at that shared enterprise centre but many other start-ups, many other businesses in a growth phase, helping men and women of enterprise to start and launch their business. And isn't it great that, today, more women are starting small businesses than men.

That is why the jobs and small business package is historic. It is a game changer. It is the largest and most supportive of its kind in this nation's history. Quite understandably the response has been extremely positive. And why wouldn't it be, with the lowest small business company tax rate in almost 50 years. That is a great achievement. We have seen 1.7 million unincorporated small businesses not overlooked by this government, not forgotten like the opposition has done. We have made sure they also get a proportionate and commensurate tax discount of five per cent up to $1,000. And who hasn't heard about the positive response to the instant asset write-off. Up to $20,000 for any business asset bought by a small business is able to be immediately depreciated.

Some examples were shared with the member for Lindsay and I when we were there at The Creative Fringe. Freelance photographer Katrina James was there and shared her positivity about it. She said: 'These reforms are fantastic. As a photographer working in the digital age, my gear is outdated far before it is depreciated. This will really help.' Jo Dickens, from Kingswood Florist, said: 'The tax changes are fabulous for small business. The timing of the depreciation really makes a difference.'

As the Prime Minister shared, these measures have now passed this House. And isn't that terrific. I have spoken to the Manager of Government Business in the Senate—
Mr Bowen interjecting—

Mr BILLSON: Don't you get excited, member for McMahon. I remember your 46 days as the small business minister.

Mr Bowen interjecting—

Mr BILLSON: That was two votes, on your average; you had one every 23 days. That measure has now gone to the Senate. The Manager of Government Business in the Senate has assured me it is the No. 1 government business item when the Senate reconvenes. What we have is an enduring focus from this side of the House, from men and women who have grown up with small business running through their veins. What a great week for small business and what a great government for small business the Abbott coalition is.

National Security

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (14:22): My question is to the Prime Minister. Has the Prime Minister referred the serious leaks from his cabinet on national security issues to the Australian Federal Police?

Mr ABBOTT (Warringah—Prime Minister) (14:22): The National Security Committee of the cabinet, the Expenditure Review Committee of the cabinet, all the cabinet committees, the cabinet itself—they are all getting on with good government. I really love this fixation by members opposite on last week's cabinet meeting, because last week's cabinet meeting decided to strip citizenship from terrorists with dual nationalities. It has taken members opposite some eight days of playing politics to finally come up and support this eminently sensible measure that the government decided upon early last week. Members opposite can ask me any number of questions about process. They can ask me any number of questions about who said what, when and what was decided by whom and under what circumstances. They can ask me any number of those insider questions and all my answers will be about what matters to the people of Australia, and what matters to the people of Australia is that this government knows where it stands on national security. We know where we stand on national security. We are absolutely crystal clear that someone who raises a gun or a knife to any Australian because of who we are has absolutely forfeited any right to be considered one of us. While we are concentrating on national security, the opposition—

Mr Marles: Madam Speaker, I rise on a point of order on the basis of hapless government confusion. Show us the bill!

The SPEAKER: If the member for Corio tries an antic like that again, he will leave under 94(a).

Mr ABBOTT: The interjector who came to the microphone says, 'Show us the bill!' The Bill sitting opposite called this legislation, which he now wants bipartisanship on, dog-whistling just 24 hours ago. So what has happened to the Leader of the Opposition? Something that today deserves bipartisanship yesterday was dog-whistling. This government is consistent. This government will never waver in our determination to ensure that the Australian people are as safe as we humanly can be. And we are absolutely determined to strip the citizenship from dual nationals who are guilty of terrorism against Australians.
Aviation

Mr LAUNDY (Reid) (14:25): My question is to the Deputy Prime Minister and Minister for Infrastructure and Regional Development. Will the minister update the House on the Western Sydney airport project? What broader benefits will this project bring to my constituents in Western Sydney?

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:25): I thank the honourable member for Reid for his question. He and I think all Sydneysiders know that the Western Sydney airport will play a vital role in boosting the Australian economy and providing important services and facilities for Western Sydney. Already around two million people call Western Sydney home. If it were a separate city it would be Australia’s fourth-largest city already. The reality is it requires that depth of investment to support a city of two million people, which will undoubtedly grow rapidly in the years ahead. In 15 years time, it is estimated that one in two of all the people living in the Sydney area will be in Western Sydney. That is why this government is investing in Western Sydney and why we are building some of the key infrastructure that will be necessary. We announced Badgerys Creek as the site for Western Sydney’s airport last year and we are getting on with the task. On top of that, we have committed $3.6 billion towards roads and other infrastructure in the Western Sydney area and we are getting on with that. The roads are already under construction and there is a lot more to come.

The airport is expected to create 8,000 jobs just in the period of construction. It has been estimated that we will need about 175,000 new jobs in the Western Sydney area over the periods ahead, and this airport will be the catalyst for a lot of those jobs. The airport and the infrastructure investments we are making will be the catalysts for investment. I am appalled that the members opposite would be critical of that. Do they want it to remain the back of the world or do they want it to be a progressive part of the build leading our nation's economy? We are for backing Western Sydney to provide a leadership role. The member for Reid and other Western Sydney members on this side of the House know how important it is and the opportunities there will be for advanced industry to come to that one. There will be research and medical facilities, technical and logistics industries—innovative development that will lead Australia and will lead the world, and that can happen as a result of our investment in this region.

There are already lots of leading companies identifying that their future rests with Western Sydney. We want to work with them and people who have a progressive attitude towards Western Sydney. To make sure that it is able to achieve its potential, we will be making our share of the investment. That will be an incentive for people to see Western Sydney as a place for their business, for them to live and to enjoy the lifestyle that that part of Australia can offer.

Economy

Mr BOWEN (McMahon) (14:29): My question is to the Treasurer. Treasurer, why is annual GDP growth well below trend at 2.3 per cent and well below the level of growth needed to address unemployment?

Mr HOCKEY (North Sydney—The Treasurer) (14:29): Well, for a range of reasons. Firstly, we faced significant headwinds offshore, and there is no doubt about that. We had had
the biggest fall in the terms of trade in history. We inherited an economy that was facing rising unemployment. We inherited an economy that was facing bigger deficits. We started to turn it around.

Ms O’Neil interjecting—
Ms Claydon interjecting—

The SPEAKER: The member for Hotham and the member for Newcastle will cease.

Mr HOCKEY: Quite obviously, we had significant headwinds with continual downgrades in forecasts, by the IMF, the OECD and a range of others, for growth in the United States and, particularly, Europe. The Eurozone is, in fact, the biggest single economy in the world. And this time last year at the G20 there was a discussion that there was a 40 per cent chance that Europe would go into recession. The good news is: Europe has not gone into a recession; Europe is not going into recession. And the work of the European Central Bank has been exemplary in helping to avoid that. The United States has had a remarkable turnaround. The United States has now near-full employment, which is a remarkable turnaround from the near 10 per cent unemployment it had a few years ago. And, as that huge middle class gets the benefits of full employment in terms of higher income, they will become bigger consumers, and the United States consumer helps to drive economic growth around the world. Our trade with the United States has improved as well. So we are seeing good signs.

One of the challenges is that China has been coming off its higher levels of growth. China is our biggest trading partner. We are now diversifying our trade with China beyond iron ore and coal and a range of others, which is hugely important, and continues to be hugely important. But we are diversifying into the services area, which has had more than eight per cent growth over the last 12 months in services such as tourism, education and health.

This is a recalibration of the Australian economy, and we are helping to guide it in the right direction and, importantly, strengthening the Australian economy, and as a result of initiatives that we have put in place, like getting rid of that carbon tax, getting rid of the mining tax, abolishing 50,000 pages of regulation, and ensuring that the Australian government gets back to the point where it lives within its means. As a result of that, we are seeing job creation in Australia run at four times the speed it did under Labor, and we are seeing the economy grow stronger than it would have under Labor.

Budget

Mr VARVARIS (Barton) (14:32): My question is to the Minister for Health. Will the minister update the House on the steps the government has taken to strengthen health care and make it easier for patients to access affordable services when they need them?

Ms LEY (Farrer—Minister for Health and Minister for Sport) (14:32): Thank you to the member for Barton. I enjoyed visiting his electorate recently and speaking to the experienced and pretty amazing healthcare professionals around the St George district. He also had a really good forum to promote our participation funding in sport—Play. Sport. Australia—of $100 million for the full rollout of sport in schools. So I would encourage everyone to go to the website and involve their school.

But the budget lays the foundations for long-term reform and a much healthier Australia. If I can run through some of our key items to underscore our commitment: $2.4 billion put into improving primary and mental health outcomes; $10.1 billion on access to medicines this
year, including $1.3 billion over four years for new medicines and vaccines; $26 million via the Immunise Australia Program; $20 million invested in tackling the fight against ice; $1.4 billion to support our Aboriginal community controlled health organisations and $485 million to reform Labor's bungled e-health electronic records system. The new—

Ms King: Madam Speaker—

Ms LEY: This is the only way the member for Ballarat can actually get a question!

The SPEAKER: The member for Ballarat, on a point of order?

Ms King: Thank you. In order for the member to be relevant, she needs to say where she is going to find over $2 billion when more cuts from the health budget—

The SPEAKER: The member will resume her seat, and she knows perfectly well: argument is not part of a point of order. The minister has the call.

Ms LEY: The member for Ballarat has got the $2 billion figure around the wrong way, because, as I just said, we are increasing spending by $2.4 billion over the next 12 months. So we know that there are economic illiterates on the other side, and the member for Ballarat did not understand why Future Fund legislation was in the finance portfolio and thought it should be in the health portfolio—

Ms King interjecting—

The SPEAKER: The member for Ballarat will desist.

Ms LEY: We know your record on medical research funding, Member for Ballarat. The new primary health networks are a cornerstone of our delivery to patients, because this is about the patient journey, about patient care and about our responsibility to have those models of care that reflect contemporary practice and new approaches to chronic disease. Today we are meeting the primary care advisory group. It is meeting for the first time, and there will be a piece of work over six months to make sure that we launch this in a really responsible way, with clinical advice and clinical expertise. I am still waiting for health policy from Labor. I know that the member for Ballarat was desperate for something to come out of the budget in reply, and in fact I found another one of her comments. When she was asked, 'What's happening with Labor's health policy?' she said, 'Well, we've been talking to doctors—

Mr Burke: Madam Speaker, I rise on a point of order. You have previously made rulings about the use of the term, as to whether other policy approaches are used in questions; it was not used in this question and we are currently being irrelevant.

The SPEAKER: The minister has the call but will return to the question.

Ms LEY: We have been talking to doctors. We have been working very hard with our health policies for 18 months and we are going to go on talking to people. There has not been a single health policy from Labor and what we have outlined is a plan for the health of Australians.

Employment

Mr BOWEN (McMahon) (14:36): My question is to the Treasurer. Why is the government forecasting the highest unemployment rate for 14 years?
Mr HOCKEY (North Sydney—The Treasurer) (14:36): You are kidding me! Do you remember when you were in government and you had job growth at a quarter of what it is today compared to us? Do you remember, Labor—

Mr Bowen interjecting—

The SPEAKER: The member for McMahon has asked his question and will desist.

Mr HOCKEY: Forgive me for my memory failure, but how many jobs were lost under Labor?

Ms O’Neil interjecting—

The SPEAKER: And the member for Hotham will also desist.

Mr HOCKEY: Two hundred thousand jobs lost under Labor. And do you know what? I was the last minister—

Opposition members interjecting—

The SPEAKER: There will be silence or people will begin to have their early marks. The Treasurer has the call.

Mr HOCKEY: I was the last minister for employment in the Howard government and, gee whiz, I remember leaving—

Honourable members interjecting—

Mr HOCKEY: That is right; I remember leaving an unemployment rate of around four per cent—four per cent! And when we came in we found an unemployment figure with a 6 in front of it. But the good news is that the coalition government has a plan to create more jobs and is delivering on that plan. We are delivering more jobs. We have four times the speed of job creation as under Labor. We got rid of that job-destroying carbon tax. We got rid of the job-destroying mining tax. We are getting rid of the job-destroying red tape. And the best thing going—we had the biggest infrastructure program in Australia’s modern history, led by the infrastructure Prime Minister. We are opening up new trade agreements with Korea, Japan and China, and the Minister for Trade has been negotiating a new agreement with the fastest-growing economy in the world, which is India.

Ms O’Neil interjecting—

The SPEAKER: The member for Hotham is warned.

Mr HOCKEY: We are lifting the tide. We have broadbased growth coming through. Despite the transition in the Australian economy, as far as I am concerned the best friends of the workers in Australia are the coalition government.

Workplace Relations

Mr SUKKAR (Deakin) (14:38): My question is to the Acting Minister for Employment. Will the minister update the House on how the government is acting to ensure fair and equitable conditions for workers in our workplaces? What obstacles exist to achieving this outcome?

Ms Plibersek: Who's looking after the cleaners?

Mr PYNE (Sturt—Leader of the House and Minister for Education and Training) (14:38): I heard the deputy leader of the Labor Party calling out, “Who's looking after the cleaners?” That is actually a very apposite interjection, given the events we have seen in the royal
commission around Clean Event, whose workers were sold down the river by the Australian Workers Union in exchange for $75,000. The AWU signed off an EBA with Clean Event that saved Clean Event $6 million, and the allegation in the royal commission is that the $75,000 was used for purposes to help elect Labor candidates for paying membership fees and other activities. So, the deputy leader makes a very important interjection, and that is why we in the government have tried to introduce the Registered Organisations Commission. It is why we are trying to bring back the Australian Building and Construction Commission—because we want to root out dodgy union officials and support honest union officials and look after the workers.

Not only has this allegation been aired this week, but I was shocked to read in the newspaper this morning, in the Herald Sun, that the Australian Workers Union, led by Cesar Melhem and the state secretary at the time, who was Mr Shorten—state secretary in 2005—signed up the entire membership of the Australian Netball Players' Association, and then sent them an invoice for $9,000, without their knowledge, to boost their membership numbers so that they would get more votes inside the ALP for preselections and at the state council. You can just imagine the poor old netball mums turning up on Saturday morning to play, expecting to get their goal shooter bib or their goal defence bib and instead getting a high-vis vest and a hard hat as their uniform to play netball in. It sounds ridiculous because it is ridiculous, and the Leader of the Opposition needs to explain what he knew about these matters and when, because the Herald Sun reports:

Mr Shorten announced the union's deal with the ANPA in 2005, when he was the AWU Victorian secretary.

He can prove his bona fides, he can support the Registered Organisations Commission, he can support he ABCC and he can explain what he knew and when about netballgate.

**Economy**

Mr BOWEN (McMahon) (14:41): My question is to the Treasurer. Why has Australia experienced, for the first time since the global financial crisis, its fourth consecutive quarterly decline in living standards?

Mr HOCKEY (North Sydney—The Treasurer) (14:41): That is a ridiculous statement, and it is wrong, absolutely wrong. We have asset values going up in Australia. How good is that? And Labor wants to hit those with new taxes. Labor is determined to hit those rising asset values with new taxes, like superannuation taxes. They want to hit home prices. We heard that from the Leader of the Opposition earlier in the week.

Ms Owens: Oh, rubbish!

Mr HOCKEY: He did. He was out there saying, 'We don't like those housing price rises in Sydney.' He is opposed to that. He wants to tax that sort of thing. He wants to raid people's piggy banks and savings accounts if they do not use them for a number of years. Hang on: that is all good news if you have falling asset values, but the fact is that people have rising asset values, and we want people to have rising asset values, which helps them to have a better quality of life. We are seeing good job growth coming through.

I would just make one final point. The member for McMahon does not seem to understand how it all works, because this morning on the doors he said: 'Economic growth is driven by
just two things: exports and inventories; it's not broad-based growth.' CommSec chief economist Craig James observed:

… even more encouraging, the result was broad-based with household consumption, exports and housing all contributing to the growth story.

So, given that you have a shadow Treasurer who does not even understand the national accounts, no wonder he is trying to claw back his honour after a bad few days.

National Security

Mr RUDDOCK (Berowra) (14:43): My question is to the Minister for Foreign Affairs. Will the minister update the House on the outcomes of the anti-Daesh coalition meeting in Paris this week and on the government's contribution to international efforts to combat Daesh in Iraq?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:44): I thank the member for Berowra for his question, and I note his concern and interest in this very serious matter. The terrorist organisation Daesh represents a global threat and demands a global response to combat it. I return today from the small group meeting in Paris of key countries involved in the 60-member global coalition to combat Daesh, the barbaric terrorists who are causing mayhem in Iraq and Syria and beyond. At the meeting, over 20 foreign ministers and secretaries reaffirmed our strategy to degrade Daesh's capabilities and to disrupt its ability to conduct large-scale terrorist attacks with the aim of eventually destroying Daesh as a terrorist organisation. I had detailed discussions with Iraqi Prime Minister al-Abadi, US Deputy Secretary of State Antony Blinken and a number of other coalition foreign ministers, and I reaffirmed Australia's commitment to the coalition and our resolve to combat terrorism in all its forms. Australia is making a significant contribution to these international efforts to combat Daesh by supporting the Iraqi government to build the capacity of its security forces. After the United States, Australia is the second largest contributor to the Building Partner Capacity mission in Iraq. Over 400 Australian Defence Force personnel are training the Iraqi counter-terrorism service and Australian combat aircraft are conducting air operations against Daesh as part of operations to take back territory. Australia is playing its part abroad and at home.

I inform the House that today I have listed Australian national Neil Prakash, who is currently believed to be in Syria, for targeted financial sanctions. Prakash has sought to commission violent terrorist acts, including in Australia, and to recruit others, including young Australian women and girls, to travel to Syria and Iraq to join the Daesh terrorists. Prakash has incited vulnerable young people to commit violent extremest acts, including in Australia. This listing makes it a serious criminal offence punishable by up to 10 years imprisonment for any person who provides any form of material support to Prakash, directly or indirectly. Currently, 93 persons and entities from Australia and around the world have been listed for financial sanctions. That list includes other Daesh members Mohamed Elomar and Khaled Sharrouf. The Australian government is committed to the international efforts to starve this terrorist organisation Daesh of foreign terrorist fighters from Australia and elsewhere, to starve it of funds and to starve it of resources so that we can combat terrorism and keep our people safe.
Economy

Mr BOWEN (McMahon) (14:47): My question is to the Treasurer. Why was there zero growth in domestic demand in the March quarter, and why was there zero growth in retail trade in April?

Mr HOCKEY (North Sydney—The Treasurer) (14:47): In relation to retail, it has increased in 10 of the last 11 months, which is pretty encouraging. Retail sales over the past 12 months of this government are 8.3 per cent higher than they were in the last 12 months of Labor, and they have increased in 10 of the last 11 months. In his question, the member for McMahon is jumping between datasets and jumping between months. The bottom line is that Labor constantly talks down Australia. It is no surprise. They do not quite get it. But do you know what? I am very proud of my country, and I am very proud of where the economy is going.

Mr Bowen interjecting—

The SPEAKER: The member for McMahon has asked his question and will remain silent.

Mr HOCKEY: As an example, out of the data that came out of the national accounts yesterday, bear in mind that in the last quarter we had 0.9 per cent growth. In the last quarter the United States had -0.2, Japan had 0.6, Germany had 0.3, France had 0.6, the United Kingdom had 0.3, Italy had 0.3, Canada had -0.1, Korea had 0.8, Taiwan had 0.7, Hong Kong had 0.3 and Singapore had 0.8. We were faster than all of those countries, and the Labor Party is upset about it. Shame on the Labor Party!

Border Protection

Dr SOUTHCOTT (Boothby) (14:49): My question is to the Minister for Immigration and Border Protection. Would the minister advise the House of the importance of a strong and consistent plan on border protection, and how important is a bipartisan approach to the success of these initiatives?

Mr DUTTON (Dickson—Minister for Immigration and Border Protection) (14:49): I thank the member for Boothby very much. He is a champion of his local community. I love the fact that he was a doctor before he came into this place. He worked in his local community. He had a real job. He was not a union boss or a union hack. He had a real life, and he contributes very well in this place.

Mr Perrett: Madam Speaker, on a point of order: I would ask that the member for Dickson withdraw that statement. It is a slur on the hardworking union members of Australia.

The SPEAKER: There is no point of order. The minister has the call.

Mr DUTTON: The reason that having had a life before entering parliament—in small business, working in the trades or whatever it might be—is important is that it delivers you a practical understanding of what families and our country face on a day-to-day basis. Our country faces a significant threat from terrorism, and for some reason those people who have led a work life in the union movement before they come into this place have no comprehension of what it is that this government needs to deal with. That is why they were so incompetent when they were last in government. I see the member for Lilley laughing over there as he writes away on the next chapter. He was in support of Bill but now he is a fierce
enemy of Bill; and we will find out about that next week, as I understand it. It gives you an insight into why the Labor Party is so out of touch with the Australian public. It is why the Leader of the Opposition yesterday spoke about the changes to citizenship as a 'dog whistle'; it is why he has no prospect whatsoever of getting up a policy at Labor conference for turning back boats where it is safe to do so.

Mr Marles: Madam Speaker, on a point of order: the clock is at 1.17 pm. My point of order is on the basis of bipartisanship.

The SPEAKER: There is no point of order. The member for Corio had better go away and study the standing orders and find out what a point of order is. The minister has the call.

Mr Dutton: That man is unknown to the Australian public, but he is actually the opposition immigration spokesperson. He is opposed to turnbacks, and he is in support of bringing back failed Labor policies which resulted in 52,000 people coming to our country on 800 boats. During that period of time, worse than that, 1,200 people drowned at sea. So do not lecture us when it comes to bipartisanship on important national security matters. We will not be lectured by the Labor Party because they presided over unprecedented disasters when it came to letting down national security and security of our borders.

The government have put, before this parliament, a number of measures over the last 18 months, and there will be more measures which are aimed fairly and squarely at keeping our borders safe and protecting the Australian public. We will not resile from this threat. For those opposite to try to lecture this government, when they have been completely out of touch in all of these issues for their whole working life, is a little bit rich. The government will do whatever they can to stare down the threat of terrorism, and it is a disgrace that this Leader of the Opposition is clearly not up to the task.

The SPEAKER: A point of order from the member for Mitchell.

Mr Hawke: Madam Speaker, repeatedly today the member for Lalor has been using the words 'it was dog whistling, it was dog whistling'. It is very offensive for her to describe the government's response to national security as dog whistling and I ask her to withdraw.

The SPEAKER: The member for Lalor, if she was using the term, will withdraw. The Manager of Opposition Business will resume his seat. The member for Lalor has the call.

Ms Ryan: Madam Speaker, I have not used the word 'dog whistler' in this chamber today.

Honourable members interjecting—

The SPEAKER: I realise it is Thursday, and we are not going to have total disruption and disorder in the House. I call the honourable member for McMahon.

Economy

Mr Bowen (McMahon) (14:54): My question is to the Treasurer. Why did household consumption, which accounts for more than half of the Australian economy, contribute less to GDP growth this quarter than the previous quarter?

Mr Hockey (North Sydney—The Treasurer) (14:55): Household consumption goes up and down. Obviously the cuts in interest rates are going to have a positive impact. I might add, the member for McMahon did two doorstops this morning and did not even refer to household consumption which went up 0.3 yesterday. He said, 'Economic growth is driven by just two things—exports and inventories'—
The SPEAKER: The Treasurer will resume his seat. The member for McMahon on a point of order.

Mr Bowen: I know the Treasurer is not very good with numbers—I did one doorstop today.

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

Mr HOCKEY: That is a killer blow. He must have been in the book depository. What was he up to? I do not know. That is a brutal shock. He said it on two occasions at the same doorstop. He said, 'Economic growth is just two things—exports and inventories'. He neglected to mention the significant increase in dwelling construction. He neglected to mention household consumption. He does not understand what he is talking about.

The SPEAKER: The member for McMahon has already offended on points of order. What is he doing now?

Mr Bowen: I am seeking leave, Madam Speaker, to request the Treasurer to table the transcripts of the doorstops I held today.

The SPEAKER: There is no point of order. Does the Treasurer have anything he wishes to table? The member for La Trobe has the call.

National Security

Mr WOOD (La Trobe) (14:56): My question is to the Minister for Justice and Minister Assisting the Prime Minister on Counter-Terrorism. I remind the minister of the multiple terrorism related incidents in recent times in Melbourne's outer south-east. What is the government doing to stop youth radicalisation in Australia? What challenges are there to the government's approach?

Mr KEENAN (Stirling—Minister for Justice and Minister Assisting the Prime Minister on Counter-Terrorism) (14:57): I thank the member for La Trobe for that question and acknowledge that he is somewhat of an expert on national security matters as a former Victorian police officer in their counterterrorism division. I also acknowledge that his electorate has, sadly, suffered firsthand from some of the challenges we are facing on the terror front at the moment. That threat cannot be overstated.

Since September last year we have had 23 people charged as a result of eight counterterrorism operations. That is fully one-third of people arrested for terror related offences since 2001. We know we have at least 100 Australians fighting alongside terror organisations in Syria and Iraq, and 30 people have returned to Australia after supporting those organisations. There are 140 Australians actively supporting extremist groups in the Middle East from here. ASIO is managing 400 high-priority counterterrorism investigations, and this is double the number that they were dealing with just 12 months ago.

I know that the member for La Trobe has been campaigning hard to secure important programs in his electorate that counter violence extremism. They are programs such as the MyHack initiative which involves a series of youth-led events to develop practical solutions that actually counter radicalisation. This program provides youth with alternative pathways so as to prevent the process of radicalisation before it can become a danger to our society. This is vitally important because young people are often left out of the process of developing these
solutions, and it is of course young people who are actually being targeted by the Daesh death cult in the Middle East to become violent extremists at home.

The government and the member for La Trobe take these issues of national security very seriously. We are doing all we can to stop people moving down this dark and hateful path. That is why I have been particularly concerned to have read comments from the Labor candidate for La Trobe who said that the member for La Trobe was scaremongering when the member rightly raised these issues in the House when talking about the Hackathon event that he ran in his electorate. He also went on to describe our plans to deter youth radicalisation as irresponsible.

This comes on top of what we heard from the Leader of the Opposition yesterday who accused the government of dog whistling when the Prime Minister was on his feet talking about national security issues. It is a term that has, again, been confirmed by the member for Lalor consistently in this chamber today. Given these comments by the Labor candidate for La Trobe, a Mr Simon Curtis, the Leader of the Opposition and the member for Lalor, I call on the opposition to make it clear that they still support our vital efforts to counter violence extremism and renew what has been, to date, a bipartisan approach on national security issues.

The SPEAKER: Before proceeding I would say, with regard to the member for Lalor, that she has said that she did not use that term. I simply reiterate it.

Economy

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (15:00): My question is to the Prime Minister. According to his own budget papers, the Prime Minister has: 1) doubled the deficit in the last 12 months, 2) forecast the highest unemployment rate for 14 years, and 3) delivered the highest taxing government since John Howard. Why is the Prime Minister undermining the living standards of Australians now and into the future?

Mr ABBOTT (Warringah—Prime Minister) (15:00): As the Treasurer pointed out earlier in question time today, Australia's economic performance just now is better and stronger than any other country in the developed world.

Honourable members interjecting—

The SPEAKER: The member for Jagajaga will desist or leave.

Mr ABBOTT: On the day after national accounts were released showing 0.9 per cent economic growth in just one quarter—

Mr Conroy interjecting—

The DEPUTY SPEAKER: The member for Charlton will desist.

Mr ABBOTT: a five per cent boost in exports in just one quarter, and a five per cent boost in construction in just one quarter, you would think that members opposite would say, 'Well done. Well done to the people of Australia. We might be surprised that the government has turned out to be as good as it has, but well done to the people of Australia.' That is what you would think they would say. But that is not what we are getting. What we are getting from the opposition is the typical chorus of complaint. Do you know why that is? They are disappointed that our country is doing well. They really are. They do not want our country to
succeed. Do you know why they do not want our country to succeed? They think that if our country succeeds they might fail.

Mr Brendan O'Connor interjecting—

The SPEAKER: The member for Gorton will desist or leave. The choice is his. One more and you leave.

Mr ABBOTT: They are putting their political interests ahead of our national interest as Australians. That is what is happening right now. We have seen it in question after question today: playing politics on national security and talking down the economy. You just cannot trust members opposite to put the national interest first. I understand there is a television program coming on next week called The Killing Season. And what that program will show, I understand, is a series of people who spent six long years backstabbing each other. Who was the leader of the back stabbers?

Mr Burke: Madam Speaker, I rise on a point of order. It is really not the week for him to talk about division in a government.

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

Mr ABBOTT: Who was the person who most consistently put his personal interests ahead of the national interest? It was the one who backstabbed two prime ministers. When he was a union secretary in Victoria, he might have been the union organiser for netballers, but in this place he has been someone who has backstabbed two prime ministers. I think that in this parliament people should be able to grow and, to some extent at least, put the past behind them. But what we have seen in this parliament today is an opposition that cannot change and has not learnt. That is what we have seen.

Road Infrastructure

Mr COLEMAN (Banks) (15:00): My question is to the Assistant Minister for Infrastructure and Regional Development. Will the minister update the House on the progress of the WestConnex project? How will this key infrastructure help provide jobs and create opportunity in Western Sydney?

Mr BRIGGS (Mayo—Assistant Minister for Infrastructure and Regional Development) (15:04): I thank the member for Banks for the question. We have good news not just for the Western Suburbs but we also have good news for your electorate, with WestConnex Stage 2 about to get underway because of the $2 billion concessional loan provided by the 'infrastructure Prime Minister' to bring that project forward.

Honourable members interjecting—

The SPEAKER: The member for Wakefield.

Mr BRIGGS: It is not just a good day for New South Wales because of WestConnex stages 1 and 2; it is a great day New South Wales because Mike Baird, the Premier of New South Wales, last night moved through the upper house the privatisation of electricity assets, which will unlock $30 billion of infrastructure investment in New South Wales. By the way, this was the proposal that he took to an election and was successful against the worst example of race-baiting by the New South Wales unions, supported by the New South Wales Labor Party. They oppose every single bit of this infrastructure investment that is about to be unleashed in New South Wales, creating thousands of jobs.
Today we announced the preferred design tender for the M4 East tunnel as part of WestConnex Stage 1. The widening for WestConnex Stage 1 began some months ago when the Prime Minister turned the first sod. Today we announced the tunnel design and route for the M4 tunnel that will be built as part of WestConnex Stage 1. It will create 10,000 jobs in New South Wales as part of this WestConnex project alone. There will be more to do with WestConnex. The Prime Minister wants to do more with WestConnex more quickly, and we are working with Mike Baird and New South Wales to deliver more quickly, because it is a project that will transform Sydney. It will transform the western suburbs. It will ensure that there are jobs created and that Sydney is more productive. Sydney went 20 years without infrastructure investment. For 20 years nothing happened, until Mike Baird, Barry O’Farrell, to his credit, and the ‘infrastructure Prime Minister’ got to it and got moving. WestConnex Stage 1 will be built. WestConnex stage 2 will be built quicker. WestConnex stage 3 will be built quicker, and there will be more. Add to that the Western Sydney airport that the Deputy Prime Minister moved legislation for today, and we congratulate the member for Grayndler for his support for the Western Sydney airport and the associated $3½ billion of road spending out in western Sydney. The member for Grayndler has been steadfast in his support for that project.

What we are going to see in New South Wales is a massive infrastructure boom because Mike Baird had the audacity, the strength and the plan to take to an election to ensure that we could unlock the potential of New South Wales. Unlike the Labor Party, on Tuesday night, as a very special birthday gift, I will get to enjoy the first episode of The Killing Season, which will show yet again that this Leader of the Opposition cannot be trusted by his own people, and he certainly cannot be trusted by the Australian people.

Honourable members interjecting—

The SPEAKER: The member for Hunter has the call and we will have some silence.

Minister for Agriculture

Mr FITZGIBBON (Hunter) (15:08): My question is to the Prime Minister. Prime Minister, now that you have had a few more days, what steps have you taken to satisfy yourself that the Minister for Agriculture has, since his appointment as the Minister for Agriculture, operated in a manner consistent with your ministerial code of conduct?

Mr ABBOTT (Warringah—Prime Minister) (15:08): Surely it has not taken him three days to come up with that question. I think he has been wasting his time for the last three days. There is no evidence whatsoever—

Ms Macklin: Have you looked?

Mr Fitzgibbon interjecting—

The SPEAKER: The member for Jagajaga and the member for Hunter!

Mr ABBOTT: There is no evidence whatsoever that the minister in question has been anything other than an exemplary minister. The issues that the shadow minister thought were the most important issues facing the country on Monday and has failed to raise in the successive days until now took place long before the minister had an official role. I know the minister. I respect the minister. The minister is doing a splendid job. I ask that further questions be placed on the Notice Paper.
QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

National Security

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (15:09): Madam Speaker, I wish to correct an answer I gave in the House during question time on Thursday 28 May 2015 in response to a question from the member for Isaacs. In my answer I said that a letter from Mr Man Monis to the Attorney-General dated 7 October 2014 and the Attorney-General's Department's subsequent reply of 5 November 2014:

… were both placed before the inquiry into the Martin Place siege, conducted by the secretaries of the Prime Minister's and the New South Wales Premier's departments.

My statement was based on the evidence given by the deputy secretary of the Attorney-General's Department, Ms Katherine Jones, in budget estimates the previous day, Wednesday 27 May 2015. The Attorney-General's Department has now advised that Ms Jones's evidence was incorrect and that the letter and reply were not provided to the review due to an administrative error in the Attorney-General's Department. Ms Jones has written to the Legal and Constitutional Affairs Committee to correct her evidence. I am advised that both letters have now been referred to officials at the Department of the Prime Minister and Cabinet who were responsible for the Sydney siege review.

The secretary of the Department of the Prime Minister and Cabinet, Mr Michael Thawley, has written to the Prime Minister today to inform him that the letter and response would have made no difference to the outcome of the review. I table the letter to the Prime Minister dated 4 June 2015. I note that Mr Monis's letter and the response were provided to the coronial inquest into the tragedy. When advised of the error, the Attorney-General asked the secretary of his department, Mr Chris Moraitis, to conduct a comprehensive review into the matter to enable Ms Jones and ministers who were relying on her evidence to correct the record. I should also reiterate that the director-general of ASIO, Mr Duncan Lewis, provided evidence to Senate estimates on Thursday 28th of May 2015 that the handling of the letter by the Attorney-General's office and the subsequent reply by the Attorney-General's office was appropriate.

Mr Burke: Madam Speaker, it is a serious matter of order that ministers, if they make an error, have to correct it at the earliest opportunity. I appreciate that prior to today it has not been possible for the foreign minister to do so. But the foreign minister has waited until the end of question time when there is no opportunity for further scrutiny, when the foreign minister could have done so at an earlier opportunity. It is a serious matter that goes to whether the sort of questioning that was being corrected could have been continued today.

The SPEAKER: There is no point of order. The fact of the matter is that the correct time for correcting answers is at the end of question time.

Mr Burke interjecting—

The SPEAKER: I will not accept argument. Resume your seat.

AUDITOR-GENERAL'S REPORTS

Reports Nos 41 and 42 of 2014-15

The SPEAKER (15:13): I present the following Auditor-General's performance audit reports for 2014-15: No. 41, The award of funding under the Safer Streets programme:
Attorney-General’s Department and No. 42, Administration of travel entitlements provided to parliamentarians: Department of Finance.

Ordered that the reports be made parliamentary papers.

PERSONAL EXPLANATIONS

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (15:13): Madam Speaker, I wish to make a personal explanation.

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

Mr SHORTEN: I certainly do.

The SPEAKER: Please proceed.

Mr SHORTEN: Today during question time the Prime Minister claimed that I and Labor had changed our position today on stripping citizenship from dual nationals who are fighting against Australia with a terrorist group. This is completely untrue. In fact, I have stated my in principle support for this proposal on at least three occasions since 27 May and again today. A statement on 26 May says:

Labor is open to any sensible change to the Citizenship Act that improves our current system.

Currently, the Act states that a person will have their citizenship revoked if they serve in the military of a nation at war with Australia.

The SPEAKER: We are now going into argument.

Mr SHORTEN: The statement further states:

It is clear the disturbing number of Australians joining groups such as Daesh pose a new threat that warrants a sensible update of our laws to reflect this.

There is no task that Labor takes more seriously than national security.

The SPEAKER: The Leader of the Opposition was straying into argument, but I let him continue.

DOCUMENTS

Presentation

Mr PYNE (Sturt—Leader of the House and Minister for Education and Training) (15:14): Documents are presented in accordance with the list circulated to honourable members earlier today. Full details of the documents will be recorded in the Votes and Proceedings.

COMMITTEES

Corporations and Financial Services Committee

Membership

The SPEAKER (15:15): I have received advice from the Chief Government Whip that he has nominated Mr Ruddock to be a member of the Parliamentary Joint Committee on Corporations and Financial Services in place of Mr Coleman.

Mr PYNE (Sturt—Leader of the House and Minister for Education and Training) (15:15): by leave—I move:
That Mr Coleman be discharged from the Parliamentary Joint Committee on Corporations and Financial Services and that, in his place, Mr Ruddock be appointed a member of the committee.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Employment

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

The government's failure to plan for the jobs of the new economy.

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

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

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (15:16): The problem for Australia at the moment is that we have a government with no plan for the future of jobs in this country. This has been a disgraceful week where the government has done everything but talk about jobs of the future. We saw the image of the Treasurer of Australia talking about the national account numbers yesterday and then declaring today, in a moment of hubris, that the worst is behind us and that this country is doing better than anywhere else in the world. The problem with his sunny optimism is that domestic income in this country is sluggish. Household savings ratios are down to a 6½-year low. Productivity is down. There are weaker earnings, wages are falling or are not increasing as much as in budget forecasts, and we have unemployment north of six per cent. This is a problem in this country. Instead of a high-skill, high-productivity, high-wage nation, we have the Liberal government of Australia leading us in the wrong direction.

The truth of the matter is that, since the budget was brought down on 12 May, the more and more we see of the budget, the more and more Australians are becoming worried about the future of this country. Their budget still relies upon the same old unfair cuts which marked their last budget. They are still relying upon massive cuts to the states—$80 billion to schools and hospitals—which will fatally undermine the ability of these states to deliver the outcomes that the states are expected to deliver to their citizens. We have seen the deficit of this nation double between two budgets and, when we asked the Prime Minister today in question time what he was doing about that, he had no answer. As usual with his answers in question time, they were masterfully irrelevant. Furthermore, we see this budget relying upon the lazy hand—the Prime Minister loves to talk about hands in pockets; we need to talk about the invisible hand of inflation in the pocket of every Australian—of bracket creep, pushing people into higher income brackets. That is the only way they fuel their budget. This is a country with a government with no plan for the future.

People know the real transition that is happening in this economy. We understand that, for the six years between 2006 and 2012, mining investment made a massive eight per cent of GDP. That has delivered some long-term benefits in terms of the volume of our exports in the future, but we are now returning to our 50-year mean in investment from mining and we need a replacement in our economy. The truth of the matter is that, for this country to have a plan
for the jobs of the future, it needs to deal with the transition from the mining boom. What we need above all else in a transition from the mining boom is confidence. We need confidence that we have a Commonwealth government capable of leading us to the future. We have in fact a fourfold contraction in our economy in mining investment. That is like taking $100 billion out of the economic activity of Australia.

On budget night, Australians waited with some hope, I suspect, that the government would have a plan—and they had a plan of sorts. They had a plan that you could go to a second-hand car yard and to Harvey Norman and you will get a short-term stimulus to small business. I do find it funny talking about stimulus to those opposite. For years they tried to crucify Labor when we had to stimulate over the GFC. Last year, the government had swallowed the bible of Milton Friedman, and this year they seem to have swallowed the bible of John Maynard Keynes. The challenge, though, for Australians is that the government said one thing last year, telling Australians there was a debt and deficit crisis, and then this year they seem to be adopting some sort of mantle of economic Mahatma Gandhis to small business. We all know that their small-business package was basically a rip-off, a Bali knock-off, of what Labor was trying to do with small business. The Minister for Small Business is all about instant asset write-offs this year, but we know that last year and in the years before they repealed the instant asset write-off. Anyway, no matter how frustrated people are with the inconsistency of the government, we are prepared to support the small-business proposals. In fact, we had the ridiculous situation yesterday where the government voted against their own small-business package—remarkable.

The real issue is that Australians know that there is no path to surplus of any credibility with this government. It is a map which Burke and Wills could have used to find their way home, but it is not a map for the future.

Ms Butler interjecting—

The SPEAKER: The member for Griffith is not in her seat.

Mr SHORTEN: We understand that the real change going on in this economy is the transition from the mining boom to the non-mining boom. We also understand that we are fortunate to live in the neighbourhood of the fastest-growing region of the world. The world's centre of economic gravity is moving east at 140 kilometres each year. In the next 15 years, the world's middle class will more than double in size. Forty per cent of the consumption of the world will be in Asia. These are the issues of the future. The issues of the future that the government should be addressing are the rise of Asia and the impact of the digital age upon jobs, economic business and society in general. We have an ageing of the workforce and an ageing of the population, and that is a most important trend. We understand on this side of the House that the other big trend in the world at the moment is sustainability. That is climate change, for those on the other side who do not know what 'sustainability' means. These are the big changes. We also recognise that we need a more diverse economy and we must rely more and more on services in our towns and our cities.

These are the big questions. But, when we look at this pathetic imitation of a budget not designed to last 12 months, a budget held together with sticky tape and lacky bands, a budget which repudiates any attempt at economic reform—when spending is higher than at any time since John Howard—and a budget doubling the deficit, we see the problems that this budget has. This is a budget designed to save two jobs but not the jobs of the future for Australians.
Labor have an alternative and positive vision. We fundamentally believe that, if we improve our infrastructure, that is a lever that the Commonwealth can exert which helps improve and grow the Australian economy. We understand that public transport demand will double over the next 20 years. Public transport, for those opposite, includes buses, trains and trams. We understand that traffic congestion by 2031 will cost the economy $53 billion. We understand that we need to unlock the productivity of our cities through generational decisions on infrastructure, free of the tawdry politics of the government.

But we also recognise that another lever that the government of the day has is not just infrastructure; it is all to do with people. I am talking about half of the population when I say 'people'. I am talking about the equal treatment of women in our society. There is no doubt that reducing the gender gap in participation by 25 per cent would mean an extra 300,000 women in work by 2025—probably not on the front bench of the cabinet but in all other jobs! We believe that we have to do more to help the work-life-family balance for women.

That is why I was very disappointed that the minister for women—and, in case you do not know who that is, that is Tony Abbott—turned his back on his Paid Parental Leave scheme, and the government now have in their budget legislation propositions which say that working women who have negotiated conditions for their employment are double dippers. They have been called roters; it has been called fraud. What the government have done by changing paid parental leave the way they have—you can no longer top up your scheme if you receive the national minimum—is make the national minimum the national maximum. They have lowered the glass ceiling in every workplace, and that takes considerable skill!

Of course, the government love a scapegoat. They get up in the morning and they say, 'Where's my scapegoat? I need a scapegoat before breakfast.' Then it is, 'I can't have lunch without a scapegoat.' And then, before dinner, it is, 'I want some more scapegoats—people to blame.' I tell you who they have attacked when they bagged public servants for having paid parental leave. They include the Federal Police. They love having a photo taken with the Federal Police; they just do not like paying them very well. The include Customs officers. They are the front line, as we keep hearing from these people opposite—just as long as they do not have babies. Then we have nurses. Heaven help a coalition minister if they ever get sick! There are CSIRO researchers: 'What would they know? What do they do?' And there are the people behind the counter at Medicare or on the phone at Centrelink. Do you know what is really interesting about them saying they are going after fat-cat public servants—you know, that dreadful rhetoric this government loves to use about the scapegoats? It has emerged today that 62 per cent of the people who are eligible for paid parental leave, the extra scheme, are in the private sector. What they have done is because they hate public servants so much. That is why they have done it.

That is why Labor fundamentally believe in the jobs of the future. Of course, it is not just about encouraging women to participate in the workforce, it is not just about building infrastructure; Labor's plan for the future is to educate our kids. That is why, unlike Tony Abbott, who does not have a clue what 'coding' is, we want every child in every primary school to learn coding. We want 100,000 kids to be able to do science, technology, engineering and mathematics at university. We want a smart innovation fund. We have a plan for the future: it is about skills, it is about infrastructure, it is about treating women equally. All this government is doing is working out who is leaking— (Time expired)
Mr FLETCHER (Bradfield—Parliamentary Secretary to the Minister for Communications) (15:26): It would seem that the Leader of the Opposition has discovered the Net! All of a sudden, he is keen on technology. Previously, he was more interested in netball than the Net! Nevertheless, we welcome him to the field. He is a bit late to the field, but we welcome him, because we can all agree that the transformation to a knowledge economy is a major force affecting Australia's economy. According to Deloitte, in their report The connected continent, the digital economy was already worth $79 billion, or 5.1 per cent of GDP, in 2013-14. We can all agree that start-up companies are enormously important when it comes to job creation. According to the OECD Science, Technology and Industry Scoreboard, a third of job creation in the business sector comes from young firms with fewer than 50 employees.

But the key policy question that the Leader of the Opposition needs to answer if he is prosecuting the case, as he asserts baselessly, of the government's failure to plan for the jobs of the new economy is: how are the things he is talking about going to solve the problem? How, with just one speech in reply to the budget, he can fix it all with lots of bad promises? He really faces three fundamental problems: firstly, Labor's deeply underwhelming track record in this area; secondly, his failure to recognise that there is an enormous amount going on, and the Abbott government have a plan which we are executing, we are actually doing things while the Leader of the Opposition is simply talking; and, thirdly, the ideas that he has come up with are, in many cases, half baked.

Let us look at Labor's poor track record. Let us talk about employee share ownership plans. There is nothing more important to innovative start-up companies in the technology sector than being able to attract and retain talent and being able to do so using the remuneration tools which are standard practice in the new economy around the world. In the United States, in Israel, in tech sector hot spots all around the world, it is vital to be able to offer your employees share options so that they can share in the upside of the company if it goes well, so that you can attract smart people away from the big corporates by giving them a share in the upside.

So, what did the Labor Party—this friend of innovation, this friend of the new economy, this champion of jobs for the future—do in those grim, dark days was, bizarrely, the Treasurer of Australia? What did Labor do? Labor deliberately changed the tax law to make it effectively impossible for start-up companies in the technology sector to use employee share schemes. They changed the tax treatment so that employees were taxed in the year in which the options were issued. Rather than it becoming an incentive, it was something employees ran away from, realising they would be hit with a big tax bill on options which might well be worthless—because Labor never understand the nature of risk in business. It is just not in their DNA.

Thankfully, after those grim, dark days there is light on the horizon thanks to the unyielding champion of small business, innovation and technology—the Minister for Small Business, the member for Dunkley, who I am delighted is in the chamber now, and who is an unflinching champion of reform in this area. The Abbott government is the friend of the technology sector. We have reversed the way the technology sector was betrayed by Labor in government. Let's have a look at Labor's approach when it came to funding cuts in science—in the 2011-12 MYEFO Labor cut $400 million over three years from students studying...
maths, statistics and science. In the 2012 budget, they cut a further $314 million over four years. Labor, in total, cut $1.3 billion from their own policies designed to encourage students to take up science and maths, and now the Leader of the Opposition expects to be believed, and expects to be taken seriously, when he has his late road to Damascus conversion on the question of boosting science, technology and maths.

Let us be clear—there is no disagreement. These are vitally important policy objectives. That is why the Abbott government has a comprehensive and well executed set of initiatives designed to stimulate innovation, designed to stimulate activity in the start-up sector, and designed to get more children and high school students to study engineering, maths and science in high school, and engineering subjects in university. A whole suite of measures were announced in last year's innovation and competitiveness statement. The Leader of the Opposition expects us to believe that he is onto something new, but he is well behind the game.

The Abbott government is getting on with this: $12 million was announced last year for improving education in the vital science, technology, engineering and maths subjects; $3.5 million is provided to ensure that all students have the opportunity to study coding and computer programming; there is some $7 million for innovative resources for maths; and $500,000 to introduce an innovative P-TECH school—with vocational education giving people the opportunity to pick up vital IT skills they can then use in the workforce. We have allocated $188 million in key growth areas—advanced manufacturing, food and agribusiness, medical technology and pharmaceuticals, mining equipment technology and services, oil, gas, and resources.

What is the key theme here? The key theme is connecting research with the private sector and with business, because we can all agree that we want as many jobs as we can possibly have, and as much economic activity as we can possibly have in the technology sector in innovation, but what we need is the private sector to be delivering those jobs. Government has an important role, but Labor, time after time, defaults to thinking that government can solve everything with the wave of a hand. Instead of Labor's misguided approach, we have a comprehensive set of measures from the coalition. Again, the Minister for Small Business is leading this work. We have committed to removing impediments from crowd-sourced equity funding so we can take advantage of the efficiencies of the internet to raise capital quickly for businesses. We have announced, just recently, in a joint announcement from the ministers for health, education and industry, a strategy to boost the commercial returns from research. So there is a clear and comprehensive set of measures from the Abbott government precisely designed to facilitate the transition of our economy, and to make sure that our economy continues to generate the jobs that we need for Australians as the technological transformation occurs—the transformation we can all identify and agree on.

Unfortunately, it is a lot easier to identify the issues than to come forward with a comprehensive and credible plan. It does seem that the Leader of the Opposition has fallen prey to the temptation to come up with a set of measures that sound good politically but do not stand up to a great deal of scrutiny. For example, we had this half-baked plan to write off the HECS debts of 100,000 students studying science, technology, engineering and maths. That sounded great, except it was not at all clear how much money was actually going to be allocated to it. Initially they said that it would cost $353 million. Then they changed their
mind, to $45 million. None of those numbers are relevant because the credible estimate here is the estimate from the Department of Education—$2.25 billion. It was not even clear whether Labor were talking about 100,000 students—as they initially said—or 20,000 students, and we certainly never got a clear explanation as to how, of the 184,000 students who are presently studying these subjects, they would choose the ones who were to benefit from this reduction. It sounds great, but when you study the details it simply does not stand up.

We had the objective of increasing the numbers of students studying science and maths. Again, we can all agree on the objective, but when you dig into the details it seems that even the state Labor education ministers will not agree to the plan presented by the Minister for Education, under which there would be a transition over a five to ten year period to make one of science or maths compulsory in years 11 and 12. The Opposition Leader can come into the parliament and give a soaring speech on budget reply night, but it turns out that the practical details have not actually been sorted out with his Labor state counterparts and, because the Australian Education Union does not like the idea, the practicalities mean that a specific measure to encourage maths and science education have not been thought through.

We heard about the $500 million Smart Investment Fund. Again, it sounds great, but there is no explanation about how this is going to overcome the difficulties that the Innovation Investment Fund struck under the Rudd-Gillard-Rudd government, when, of the three managers who were allocated funding, two of them had to hand back their mandate because they could not succeed in raising matching private sector funding. So let's be clear. We can all agree on the objectives, and the Abbott government has a clear plan across a whole range of fronts to deal with the transition of our economy. Sweeping statements not properly researched or substantiated are no substitute for the sustained action of the Abbott government.

Mr BUTLER (Port Adelaide) (15:36): I rise today to support this matter of public importance and to condemn this government's failure to plan for the jobs of the new economy. This is a failure that starts with this government's approach to education—a failure to plan for our schools, a failure to plan for our TAFEs and a failure to plan for our universities. In the long-term, we know that the jobs of the future depend on the quality of our education system today. In contrast to a complete lack of vision from those opposite, Labor in government had a clear plan to make sure our kids had the skills they needed to get the jobs of the future. After the biggest review of our schools in 40 years, we put in place the Gonski reforms. Australians liked what they saw. With nothing of their own to offer, even the Liberal Party recognised that Australians liked what they saw, and they jumped on board. The Prime Minister said during the last week of the election campaign that there would be no cuts to education, because he knew that cuts would be terribly received by the Australian people. Earlier, he promised an 'absolute unity ticket when it comes to school funding.' The now Minister for Education, the member for Sturt, promised:

So you can vote Liberal or Labor and you'll get exactly the same amount of funding for your school …

But they never really meant it—and this year's budget locked in their $30 billion cuts to schools over the next decade. The consequences will be far reaching. By cutting education now, this government is failing Australians on the jobs of the future.
Even though we are not in government any more, Labor are still the ones coming up with the ideas. It is only Labor that has the vision to make sure Australia and Australia’s kids are not left behind. In coming years, three out of four jobs in the fastest growing industries will rely on science, technology, engineering and mathematics skills. When it comes to making sure our children have these skills—as even the member for Bradfield acknowledged in a soaring speech in the budget reply debate—the Leader of the Opposition has set out our ambitions: firstly, we will ensure that our children in primary and secondary school across Australia are learning coding—computational thinking and programming, the language of the future, so they do not just use technology but can make technology work; secondly, we will invest in the skills of our teachers, by upskilling 25,000 existing teachers so they fall in love with maths and science and can help their students do the same; thirdly, we will provide scholarships for 25,000 STEM graduates to study teaching; and fourthly, as the member for Bradfield outlined, we will provide over 100,000 HECS-free STEM degrees so that more people thinking about a university education choose science and maths as a profession.

Labor will not sit by and wait for the future to come to us. We will embrace it and we will ensure our children are able to make the most of it. In comparison, this is a government resolutely stuck in the past. All you need to do is look at their priorities. Estimates proceedings this week confirm they are planning to cut even more programs, including the maths and science olympiads, Scientists and Mathematicians in Schools, the Australian Maths and Science Partnerships Program, and improving the quality of maths and science teachers. The minister himself, as the member for Bradfield outlined, has been caught-up on maths and science after the power of the Leader of the Opposition’s budget reply speech. Just last week he surprised the states and territories by saying that maths and science should be compulsory in years 11 and 12. Superficially, that is a very attractive proposition. The problem is, he has been immediately undermined by his own Liberal Party colleagues and by experts. The Western Australian Liberal education minister, Peter Collier, said only a couple of days ago:

… I’d be the first to object to the idea that we must make this compulsory.

Ian Chubb, the Chief Scientist, said:

… it is difficult to make these subjects compulsory, but they should be made so compelling that everyone wants to do them.

That is exactly what the Leader of the Opposition’s budget reply speech and the policies outlined in that speech do—try to make maths, science, engineering and technology qualifications as attractive as they possibly can be for young Australians so that they have skills for the future. This is why we are so committed to the education system—it is why we introduced the Gonski reforms; it is why we remain committed to a needs-based, sector-blind school funding system that really looks to the skills our children are going to need in the future. (Time expired)

Mrs ANDREWS (McPherson—Parliamentary Secretary to the Minister for Industry and Science) (15:41): I am delighted to be part of the jobs debate we are having here today. It is a sensible debate because the issue we are discussing is one of the most important and significant issues that this parliament has to discuss and will continue to discuss in the future. Jobs are our future and we need to make sure that we are doing everything we possibly can to set ourselves up for a future that is strong and that is prosperous, and that we are looking after
future generations and making sure that they have the opportunity they deserve to go into worthwhile, rewarding employment.

When talking about jobs we really have to assess where we are, look at the jobs of today and see whether we can make some predictions about what the jobs of the future might be. Clearly that is very difficult—it involves quite a bit of crystal ball gazing because, if you take yourselves back about 10 years and you look forward to today, who would have thought back then that if you were going to put product onto the market you would be consulting with someone who could design an app for you, who could do search engine optimisation? It would have been impossible to determine that at that point in time. As we stand here now and we try and determine what the jobs of the future are, we can only look at a bit of past behaviour but also what is happening in the technology space—because that is where the development is going to be into the future. We know from a recent PwC report that it is estimated that 5.1 million jobs—44 per cent of current Australian jobs—are at risk from digital disruption over the next 20 years. That will be a massive impact on jobs here in Australia. This gives us an opportunity that we can take, that we can pick up and run with. We know that digital disruption is already happening; we know that it is going to continue to happen. We need to get on board and look at what the skills are that we will need for the jobs of the future. Clearly I am delighted that we are having such strong discussions at the moment about STEM—science, technology, engineering and maths; they are definitely the skills that we need for the future. International research is telling us that 75 per cent of the fastest growing occupations now require STEM skills or knowledge. This is clearly a key area for us and one that we must develop.

If we could convince just one in 100 people to shift into stem roles, PwC estimate this could increase our GDP by $57.4 billion over 20 years. So we know that we must be working in this area.

I think we all recognise, particularly everyone here in the House at the moment, that we have to become productive, we have to look at our modern economies, we have to look at joining business, scientists, educators and policymakers together so that we can make STEM a priority and work our way forward into the jobs of the future. We are committed to a coordinated approach to STEM from the government and to making sure that we work together to ensure the prosperity and the competitiveness that this country so desperately needs.

In my role as a the Parliamentary Secretary to the Minister for Industry and Science, over the last few months I have taken a very active role in STEM. I am fully aware that this is a complex problem. It is not a problem that has just one simple magical solution. It is important that we actually do the work to determine the problem. As I said, it is very complex. One of the key things we have to do is look at how we are going to influence students to willingly take on study in STEM subjects—and that is probably through influencing the key influencers. One of those key influencers is certainly the teachers—so we know that we need to do some work with teachers. We also need to influence the career advisers to make sure they are aware of the jobs for the future so that they can steer the students into the right paths. We know that we have to influence the principals because they are the ones out there promoting their students, their academic results. We do not want them encouraging their students to take an easy course simply because that will give them the best possible ATAR and OP. And we need to influence the parents because they are the ones at home with these
kids encouraging them to get the best possible score to set themselves well for a tertiary education. So we have to make sure that we are making progress in influencing the influencers. That is step 1 in resolving this issue.

**Ms BIRD** (Cunningham) (15:46): This is an extremely important matter of public importance before the parliament today, and it is a subject I have spoken on over many years in this parliament. My regional area of the Illawarra is at the very forefront of many of the challenges that face our economy as we transition to a much more complex requirement for skills and education needs. We also need policies to be in place to support communities like mine, and individuals in areas like mine, to be part of that transition and not be left behind as the economy changes.

It is very important that the Leader of the Opposition has put this on the agenda. What is sadly lacking from the government is any narrative and plan to actually position Australians well for the jobs that will emerge in the future so that we are competitive. This will take a number of initiatives. As the Leader of the Opposition outlined, it will take an investment in infrastructure, including the smart infrastructure of the future—fast reliable broadband—on which many people will build new jobs and new companies. It will also take an investment in people. I want to take on take the opportunity in my contribution today to talk about the vocational education and training sector.

There are many very useful reports put out about the emerging skills needs in our economy. I draw interested members' attention to environmental scans conducted each year by industry skills councils. I have a particular one here which is the *Environment scan* for the current year from the Innovation & Business Skills Australia industry council. Sadly, these industry skills councils who do this fantastic work have been defunded by the government. So I do not know how much longer we will continue to have this excellent research and resources made available to us.

**Mr Perrett:** What would industry know!

**Ms BIRD:** Exactly, what would industry know! We have already seen AWPA, the national body that was doing the analysis of emerging skills and opportunities, disbanded last year. And now we are seeing the industry skills councils, with decades of experience sitting on their boards, defunded as well.

I want to take members to this year's *Environment scan* from IBSA. They say—and it is absolutely true:

The impact of technology broadens each year as it is felt in all aspects of business operations, all sizes of business and all industries. Customer service is being enhanced through data analytics which are providing complex analyses of consumer behaviours, paper based printing is being subsumed by mobile electronic options, finance and business services are operating anywhere and anytime using cloud based applications on a wide variety of devices. Nationally and internationally, convergence and collaboration are occurring in the workplace and between and within industries, suppliers and clients.

That captures the very significant change that is happening not only to the nature of businesses but to the way in which businesses are operating—not only in terms of their product innovation but in the changes to the systems and procedures that workers will have to be highly competent in to guarantee productivity and innovation in the businesses of the future.
In particular they outline six significant trends that are happening. The first is extreme longevity. Reskilling will be increasingly important for all workers in the future. The second is the rise of smart machines and systems, in particular through workplace automation. The third is the computational world, where everything will be converted to data. The use of that is critically important. The fourth is new communication tools—which we would all be familiar with—that engage individually and collectively at work and at home in new and innovative ways. The fifth is superstructured organisations where the forms of production and value creation are significantly changed. The sixth is a globally connected world.

I want to particularly make the point that the Environment scans of all of these industry skills councils make the point that the vocational education and training sector is at the heart of so much of the new skilling that will have to happen. Sadly, there was not a word in the budget about initiatives in this sector. It built on the back of $2 billion cut out of the sector at the last budget. You have to invest in the workers to enable them to be the innovators and to increase their productivity for the long-term future of jobs.

Mr HOWARTH (Petrie) (15:51): It is great to rise and talk on this matter of public importance. Labor are saying that it is about jobs for the future, and I agree: it is about jobs for the future. But it is not just about planning for jobs of the future; it is about delivering jobs of the future. That is what the coalition is all about: delivering practical schemes that will help business employ more local people. We saw under the six years of Labor more than half a million jobs lost in small business under Labor, and they want to talk about jobs of the future. I am glad to say that the coalition government is working to recover those jobs. To every person in my electorate of Petrie and right around this country, that is our No. 1 priority: jobs. We want to see more jobs for local people in our electorates. We are the only party in this parliament with a plan. We know that those opposite just have a plan for more debt and more taxes, unlike us.

Mr Thistlethwaite: You've doubled the debt.

Mr HOWARTH: The member says we have doubled the debt. We will come back to that. Let's have a look at Labor's contribution when they were in power in relation to skilling. More than $1 billion was cut from apprenticeships between the 2011 and 2012 budgets. Labor failed to ensure that training led to real jobs. Instead, they funded training for training's sake. A review by Allen Consulting of Labor's signature $2.1 billion Productivity Places Program found it could not identify who had been trained, how many people had been trained or who had the contract to deliver the training. If that were in the private sector, the company would be broke. Labor was then forced to scrap the program before the last election. Throughout Labor's term, a partnership completion rates flat-lined at around 50 per cent.

Part of our plan is to, of course, balance the budget. I know that is a foreign concept for the Labor Party and the Greens and for everyone on that side of the House, but we have to balance the budget. Even the school kids up in the gallery understand that you must balance the budget.

Mr Perrett interjecting—
Mr HOWARTH: You say, 'We balanced the budget.' Where is your $6 billion in savings that you promised before the last election? You have not voted for one of them. Get your senators and get the Greens to support your savings. Do you know what? I do not hear about any savings from Labor. I have been sitting in this place for almost two years and there has not been one decent saving. I go to the only savings that you guys come up with. First, you want to tackle multinationals, which will save you $2 billion a year—we are running budgets of about $35 billion a year in deficits, and in the last eight years we have done that—which Joe, the Treasurer, is now addressing. What is your second saving? You want to hit superannuation. Have you thought at all about what superannuation will do to the social security budget 20 years from now? We are going to save heaps because everyone under 50 will have superannuation and they will not be on welfare. Think of the number of people in your electorate. Even if they put $30,000 a year away—and not everyone can do that—for 25 years, what do they have? They have $750,000 or something, minus 15 per cent in tax. You want to hit them more. Hands off super. It is not your money. You have a spending problem, Labor. You spend like drunken sailors. You have to rein in your spending. That is what you have to do.

What does the Leader of the Opposition say in this debate? He says, 'Oh well, household savings are down.' The deficit has doubled, yet he fails to pass his own budget savings. The Leader of the Opposition is not providing leadership to this country. He does not know how to create jobs. The best thing that Australians can do in 2016 is re-elect the coalition government.

Mr Perrett interjecting—

Mr HOWARTH: That is what we need: we need a coalition government re-elected for a second term, member for Moreton. That is what we need, because we have a plan. A lot of you guys are good guys and you want to see the best thing, but you have to make some savings. When you rack up spending, have a guess who pays for it. Businesses pay for it through higher taxes: through payroll tax; through carbon taxes. How does that help create jobs? Please, look at some savings. You have 12 months to think about it.

Mr CLARE (Blaxland) (15:57): About 200 or 230 years ago, there was a bloke called Ned Ludd. He was a bloke who smashed up some mechanical machines in a fit of passion, raging against the machine, and he inspired a movement called the Luddites—Opposition members interjecting—

Mr CLARE: No, it is not true that it is the National Party. They were apparently called Luddites. These were blokes who ran around the country in England burning factories and smashing up machines, all at the start of the industrial revolution. I was listening to this debate and thinking, 'Hang on a second. This movement hasn't finished yet. We've a new Ned Ludd: Tony Abbott—the Ned Ludd of Australian politics; the king of the Luddites. Remember, this is the bloke who said that the NBN was a $50 billion entertainment system. He is the guy who brought back the old Telstra copper network that John Howard sold last century. He is also the guy who thinks it is a great idea to give a knighthood to Prince Philip, but he thinks it is a bad idea to teach kids how to code in primary school. He does not get it. He does not understand how important this is, but also how simple and basic this is. Technology destroys some jobs and it creates new jobs. It has been happening ever since Ned Ludd, ever since the industrial revolution. The challenge for us here right across the
country—not just politicians but industry as well—is to make sure that our people, the Australian citizens, have the skills that they need for these new jobs, for the jobs of the future. What are these new jobs? Most of them require STEM skills: science, technology, engineering and mathematics. Seventy-five per cent of the jobs being created in Australia right now require STEM skills. That will only increase in the years ahead. The problem is that right now we are not producing enough people with those skills. That is why the Chief Scientist put out a report a few weeks ago saying that employers are having trouble finding people with the STEM skills that they need for the jobs right now, let alone in the future. When you look at the number of people who are being produced through our universities with STEM skills now, you can see why this is a serious issue.

Let me just give you a couple of statistics. In 2002 China produced half a million people with STEM degrees. This year they expect 3.5 million people to graduate with STEM degrees. So, over the course of a bit over a decade, it has gone from half a million to 3½ million people with STEM degrees. In Australia in 2003 we graduated 9,000 people with ICT degrees; in 2013 that dropped to just over 3,000—from 9,000 to 3,000. So you can see why this is a serious issue, and hopefully those opposite can now understand why what Bill Shorten announced in his budget reply is so important. Not only did Malcolm Turnbull and Joe Hockey say that it is important that all primary school students get taught to code when they are at primary school, but this is also—

Dr Hendy: Mr Deputy Speaker, I rise on a point of order. The speaker is constantly not using proper titles. Could I ask you to refer the speaker to—

The DEPUTY SPEAKER (Hon. BC Scott): I thank the member for Eden-Monaro. The member for Blaxland will be reminded to use people's titles when speaking in this place.

Mr CLARE: I will. I would just make the point: the Business Council of Australia thinks we need to do this. We think it is that important. We asked the Prime Minister in question time to do this, and we got this silly answer back from him that said:

He says that he wants primary school kids to be taught coding so that they can get the jobs of the future. Does he want to send them all out to work at the age of 11?

It just shows: he does not get it. The Business Council of Australia thinks we should do this. And you have got Tony Abbott with a stupid answer like this. Well, my message to Tony Abbott, the Prime Minister of Australia, and all of the government, is this: remember what happened to Ned Ludd; remember what happened to the Luddites—they lost! They ended up getting caught. I think 17 of them got hung, and seven of them got transported out to Australia. And when you get stupid answers from a Prime Minister like this, it makes me think: some of them must have got away; some of them ended up here! And some of them—or, at least, one of them, made it into the office of the Prime Minister of Australia!

Mr BROADBENT (McMillan) (16:02): That was an interesting contribution from the member for Blaxland. Actually, those Luddites ended up forming the trade union movement that allowed you to speak here today. There are parts of your address that I would agree with. More importantly, the opposition leader talks about infrastructure, and infrastructure is important to those people that actually care about where our kids are going to be in the future. I think the member for Hunter might be the only member on the opposition side at the moment who has a very regional area so that he can talk about the infrastructure and roads that are so important.
Mr Clare: Bendigo, Ballarat—

Mr BROADBENT: And you are not even regional either. Is that correct?

Mr Clare interjecting—

Mr BROADBENT: I think you have some regional roads? No regional roads?

Mr Fitzgibbon: Mr Deputy Speaker—

The DEPUTY SPEAKER (Mr Randall): Order. Member for McMillan, resume your seat. Member for Hunter, do you have a point of order?

Mr Fitzgibbon: I do, yes, Mr Deputy Speaker.

The DEPUTY SPEAKER: What is it?

Mr Fitzgibbon: I do represent a rural seat, yes, and we have a number of regional members—

The DEPUTY SPEAKER: That is not really a point of order. Resume your seat please. I call the member for McMillan.

Mr BROADBENT: Regional seats; their regional members! The member for Hunter takes his opportunity to get up—

The DEPUTY SPEAKER: It is not a point of order, as the member for Hunter knows.

Mr BROADBENT: His seat is very similar to mine in that roads are extremely important to the infrastructure of our communities so that our businesses can operate. Why do we want our small businesses to be successful? Why do we want our farmers to be successful? That is in the member for Hunter's portfolio. It is because it creates jobs and opportunities and the sorts of educational opportunities that the member for Blaxland was just talking about.

Actually, so many of us in this House come from the same place. We may come from different sides of the parliament. We may be elected in different ways—either through favour of the union movement or by being supported by our own community or being a rather independent member—perhaps the member for Moore from Western Australia, whose electorate is quite different to that of mine of McMillan. But I tell you what we all want: we want a future for our children, we want comfortable and happy and reasonable families, we want to be able to provide the best education we possibly can, and we want to try, through the states, to give our communities the best teachers that we can possibly afford. The point that the member for Blaxland made about science, and all those things that surround science, means that this nation will be a greater nation.

Today I stood outside on my balcony and past me ran about 12 little kids, who, I would say, were from the childcare centre here in Parliament House. As I saw them run by, I thought, 'What we're actually on about here in this place is: we—even those members who are new members and younger members—in the decisions that we take today, are going to affect those children and their lifetime opportunities.' We have got to think ahead. We have got to stay together on some things. That is why I have pleaded, often, for the Labor Party to consider passing some of the bills that are put before the Senate. You have the opportunity, as a party, to support those things.

I do not know how much time I have—not much. But if I go back, to Paul Keating—it just gets you going sometimes!
Dr Leigh interjecting—

Mr BROADBENT: No, it does; it does. I tell you! I think it was in Adelaide. He was walking out—I think it was during the election campaign—and there was a row of people condemning him as he walked out of the room—

Mr Thistlethwaite: It was tongue in cheek.

Mr BROADBENT: No, it wasn't tongue in cheek.

Mr Husic: Yes, it was.

Mr BROADBENT: It was not tongue in cheek. He looked at that kid and he said, 'Get a job.' 'Get a job!' And the reason he said that was not because he was just having a bit of fun on the campaign trail. The reason he said it was: it is actually terribly important.

I heard the member for Forrest the other day say how they started their small business—how they borrowed $80,000 and they had $15,000 of equity—

Dr Leigh interjecting—

The DEPUTY SPEAKER: The member for Fraser is not in his seat.

Mr BROADBENT: in their farm, and they grew their farm and their dairy herd from that. They grew it from that. I went into Mr Stern and I said, 'Mr Stern, I want to start a fabrics business,' and he said, 'Take all the stock you want.' Within four months, I had paid him back and bought a whole lot more. He knew I would do well. I mean, that is what we do. That is what we have always done.

We are here in this place to create opportunities for people who would not otherwise have opportunities. And we are always trying to look to those who need a hand up, not a handout. We have the greatest country in the world. So here, on this Thursday afternoon, when we are having a bit of biff about a few things and each person has made their contribution, I am appealing to you, as I speak to the nation, and as I speak to my own electorate: we will do the very best we can, each one of us, for our electorates; we will get the infrastructure; but we must get this nation on an even keel. And to do that we are going to have to work together in many ways to create those opportunities for our young people.

Mr HUSIC (Chifley) (16:07): We all love a great underdog story. Recently Google recognised six companies for app design at its annual developers' conference in San Francisco. When the winners were read out there was one small firm that edged out some really big names. They beat Evernote, they beat Lyft and they beat BuzzFeed. This small group was honoured as best in class in the Android design section of Google Play. And who was it? It was a four-person team called Shifty Jelly. I would have given them the award just for their name! They came from Adelaide. They made it from Adelaide to the other side of the Pacific, edging out some really big names. They were on a 100-developer short list that was pared back to 18 and then to six. They received the award for seamless browsing in their Pocket Casts app. The app has been downloaded 100,000 times in the Google Play app store. After winning the award, the team's server architect, Philip Simpson, said:

For just a tiny company in Adelaide, we feel like ‘What are we doing here? This is not an unknown story insofar as a lot of our start-ups are being recognised in the US because a lot of people over there recognise that our start-ups think global from the start and have a lot of skill to back it up.
But they should not always be the underdog. It should not always be the small firm from one part of the world that just suddenly makes it through a 100-person or a 100-group short list. We have a lot of people. We need more. The focus for us is: how do we get more and more of those companies? We certainly know about the power of start-ups in boosting job productivity and economic growth. We know, based on what we have seen in the States, that for every job created in the tech sector, five others get created. They have job growth that is 25 times faster than other sectors. We know this will create an important source of jobs. It is doing so in the States, and it should do so here when we are under challenge.

So, what are we doing? What are we seeing right now in terms of thinking about smart jobs? And what would we have the government do? I will give you just one simple example. We have seen a decision to de-fund National ICT Australia, or NICTA, from June 2016. CSIRO officials yesterday confirmed at estimates that talks are well progressed on a potential merger between the two organisations. And in a worst-case scenario two-thirds of NICTA's 310 jobs would be gone.

_**Mr Thistlethwaite:** That's a disgrace._

_**Mr HUSIC:** It is a disgrace, Member for Kingsford Smith. This is a government that sought to cut more than $3 billion from science research and innovation. This is the bedrock forming the platform for future jobs, and it is being cut right now. This makes no sense whatsoever. For example, earlier the parliamentary secretary indicated that it is hard to work out what the jobs of the future would be. Well, no, it is not. What you do is get bodies like the Australian Workforce and Productivity Agency, which has in times past, as Skills Australia, done workforce planning for the mining sector, workforce planning for green jobs._

_**Ms Bird:** What happened to them?_ 

_**Mr HUSIC:** The member for Cunningham asks what happened to them. They got cut. They have been reduced. So, we are trying to plan for the jobs of the future now, but the very body that would work with industry to do that is gone. This makes no sense whatsoever. What start-ups want government to do is not to throw heaps of cash around but just to focus on the things government can do well—building skills, not cutting money from secondary and primary schooling, as we are seeing now, and not bringing in $100,000 university degrees and pricing people out of education, and not, for example, removing coding from the national curriculum and then having a Prime Minister not only defend that position but seeming to suggest that if you included it you were encouraging child labour in this country. This is backward thinking that will set us back.

We heard the previous speaker indicate that we should be working together. He is absolutely right. We should be working together. We should be working together to find ways to smarten people up and give them the skills they need, to make sure the money is there to support their investments. They should not chide us on a smart investment fund, as we had one parliamentary secretary do today, but find more ways to find the money to support ideas for talented people who need the education to support them. That is something that should be a national mission embraced by both sides of this parliament. It should not be something that is derided from one end to the other. *(Time expired)*

_**Mr GOODENOUGH (Moore) (16:12):** The new economy is a result of the transition from a manufacturing based economy to a service based economy. The government has_
invested more than $9 billion this year alone in science, research and innovation, including almost $70 million in additional funding for Australia's leading scientific research organisations to build world-class infrastructure that will create stronger connections between research and industry. Cutting-edge technologies such as nanotechnology, telematics, 3D printing and bionics are being developed at leading research institutes across Australia.

This federal budget includes an investment of more than $3 billion in the CSIRO over four years in the forward estimates. As Australian manufacturing and industry transitions into a new phase, the Abbott government is putting science at the centre of industry to identify and harness new jobs and opportunities in the rapidly changing global economy. The government continues to support national world-class research infrastructure to attract the world's best researchers and facilitate collaboration with industry. It has committed two years of operating funding to the National Collaborative Research Infrastructure Strategy. The government will provide $300 million through the 2015-16 budget to secure the jobs of 1,700 highly skilled technical and research staff for the next two years. Over 35,000 researchers across 222 institutions across Australia use NCRIS facilities.

Trade and investment with emerging economies in our region is the key to promoting economic development. Over the past year, there has been a 23 per cent increase in approved foreign investment applications in Australia. In order to maximise economic benefit, investment in research and development must necessarily be closely matched with the commercialisation of Australian innovation, invention and technology. Lifting the value of our service exports such as higher education, tourism, health care and financial services to just half the level of our commodity exports would add $50 billion to our gross domestic product each year. The government's Medical Research Future Fund is expected to reach $20 billion in 2019-20, with more than $400 million expected to be provided to researchers over the forward estimates. This will improve health outcomes for all Australians.

Let me highlight some of the research and development innovations that are already occurring at Edith Cowan University in my electorate of Moore. This major university is a leader in the field of research, innovation and enterprise initiatives and it accommodates three leading research institutes based at its Joondalup campus. ECU's Security Research Institute is one of the leading cybersecurity and digital forensic groups in the world, and it is recognised for its expertise in human, physical and aviation security. The institute consistently delivers quality outcomes in computer and digital forensics, network and wireless security, information warfare, physical security and risk management. Similarly, the university's Electron Science Research Institute, established in 2003, has grown into a world leader—

The DEPUTY SPEAKER (Mr Randall): The time allotted for this discussion has now expired.

BILLS

Private Health Insurance (Prudential Supervision) Bill 2015

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr HUSIC (Chifley) (16:16): I rise to speak on the Private Health Insurance (Prudential Supervision) Bill 2015 and related bills. What these bills attempt to do is move to the
Australian Prudential Regulation Authority the prudential regulation functions that currently exist under the Private Health Insurance Administration Council. This is supposed to take place in just under a month's time, on 1 July 2015, and it will also abolish the PHIAC from that time. According to the government, this move has come about because, in its words, it wants to form smaller government. The government is trying to merge a number of different bodies and ensure there is no duplication. It believes that, in time, this will benefit industry through lower costs and this will ensure there is a degree of stability and proper regulation for the private health insurance industry. I learned about this while sitting as deputy chair of the House of Representatives Standing Committee on Economics, where APRA outlined to us in March that it was preparing for this as well. I want to come back to this at a later point.

When you take into account the government's justification, there is no mention whatsoever about whether this move, which, on the face of it, sounds fairly straightforward—taking the functions from one body, collapsing that body and putting the functions into an existing regulator—will have some sort of flow-on benefit to the just over 13 million Australians who are now covered by private health insurance. You would also imagine that there would be some sort of prediction about whether this move would lower premiums and lift the quality of services. Is this move anything other than a simple abolition of one regulatory body and just flicking all the responsibilities to someone else? Bear in mind that the current regulator in this space does two things year, will the time went beyond two hours obviously it will; it is dedicated to both sides of the equation, as the shadow minister indicated early today—that is, it looks at both the health insurers and the health fund members. But what we are definitely concerned about, and what we believe is likely to happen, is that this is just an initial part of a longer term journey away from any type of robust, genuinely strong oversight of health fund premiums—as recommended in the Harper review and previously endorsed by Peter Dutton, the former minister for health, who is now the immigration minister.

This bill does not operate in isolation. It must also be remembered that the Abbott government is moving to abolish the Private Health Insurance Ombudsman—and, again, they are relying upon the reasoning that this will lead to smaller government. Often these things do build up over time. Regulators emerge because the public has an expectation that things will work in a particular way, that their concerns will be addressed and that, if it is believed that there are channels or avenues of government that are not providing or are not fit for service, you will see these types of regulatory bodies emerge. It would be no surprise that this was what happened with the PHIAC. The PHIAC emerged in response to a community demand to see that the interests of health insurers were balanced with the interests of the clients of those health insurers. That also needs to be taken into account.

Once the regulator is gone and the ombudsman is gone, you can imagine that there will be a lot of power vested in the minister. You can also then imagine that the minister would later complain that there is too much on their plate to be able to take up these roles that were previously done by a regulator and the quality of oversight will suffer as a result. That is something that should concern a lot of people not only in this place but also outside. For instance, there is no longer a big government owned health insurer competing alongside privately owned funds. There is a great degree of concentration within this market. For instance, people may not necessarily be aware that the bulk of the market is made up of only a handful of companies that are providing these types of services. In fact there are just five...
health insurers who hold 83 per cent of the market, so it is relatively concentrated. While there might be some change between those funds from time to time you will not necessarily see people having a lot of choice in the insurers that they have or that they seek to use.

It is also worth noting that the regulator had to cover 34 health insurers offering 40,000 different products taken up by 6.4 million policies covering just over 13 million people. So there are some big players and there is a multitude of smaller players. There are a lot of products in place, so this is not some easy task. APRA, who is not a dedicated regulator in this space, is going to have to oversee all of this. This of itself will be a challenge.

The House of Representatives Economics Committee now have the opportunity to quiz APRA twice a year. We did so in March and we expect to do so later in the year. APRA are also responsible for a range of different areas by looking at what authorised deposit institutions or lenders are doing. For example, big things on their agenda at the moment include trying to determine how to deal with what the Treasury secretary described this week as a ‘housing bubble’ in this country as well as the rapid growth of investor loans, which are causing great concern as they reflect the rapid growth in prices and activity, particularly in some of the biggest housing markets in the country in Sydney and Melbourne. APRA also looks into the management of the superannuation pool of savings in this country which is close to $2 trillion. It is massive and is amongst the world's largest pools of savings, and APRA is responsible for that. Now APRA will be responsible for regulating 40,000 different products and 6.4 million policies for just over 13 million people. It is a big job.

When I heard that this was to happen, in March I quizzed the APRA chairman, Wayne Byres, and his associates who were present at the hearing, as to how they were planning for this. APRA have responded on notice that they have set up a project team to manage this transition of the prudential responsibilities, and they are also planning to take on board the associated staff within APRA. We were advised that the project team is primarily resourced, apparently,—and this is contained in a report into APRA by the House of Representatives Economic Committees that was tabled this week—by APRA and PHIAC staff with some involvement from the Department of Health, and, on an as-needs basis, external suppliers as well.

APRA has noted that the key milestones in relation to the updated regulatory framework include a degree of industry consultation for the private health insurance industry reporting of prudential standards. This was supposed to have occurred by the end of March. There were written submissions that were being called for to the industry consultation, supposedly received by 19 May. I am just taking this on board, and it may have slipped and it may not, and it is neither here nor there if it is a short period of time, but there is that work underway. APRA's paper responding to the industry submissions together with the final requirements are supposed to be released before 1 July, which is a big task in itself given the tight time frame.

In APRA's response to questioning by the House of Representatives Economics Committee about this whole transition, they outlined the extent and method of industry consultation to support the transition, claiming that both APRA and the PHIAC are actively working with the departments of Health and Treasury. I understand some health officials are here today, and I appreciate that they are probably working very diligently to make sure this transition is as seamless as possible. They would also appreciate the desire by us to have the appropriate levels of oversight to ensure that it is a relatively seamless process.
There is an important aspect, according to APRA, of executing the transition and that is the engagement with relevant stakeholders, the focus to ensure that the industry understands APRA's approach as a regulator and that there should be a continuity of supervision, which you would imagine would be a reasonable expectation. Since the legislative change has been announced we were advised that APRA has spoken to major industry conferences, and met with industry bodies and various participants. Formal meetings with boards of the individual private health insurers have commenced, many of which were undertaken prior to 1 July. What is absent in that response is that it was very hard to find how much had been set aside in terms of resourcing. The exact detail of how this would be managed was not there. I do not think this is an overly critical response, but I think it is important to note that there were not too many numbers backing up the statement that was provided to us for the purpose of inclusion in our report.

This is a big change. This is going to put some fairly significant strains on APRA. The theory of merging regulators, of getting rid of one and picking up functions and putting them into the other, sounds on paper like a straightforward thing, but it has the potential, certainly from our perspective, to cause major headaches in something this big. From our point of view we would need to see more detail. I do not think the detail that has been provided by APRA, as has been submitted to one House committee, goes far enough. Certainly we are being asked in this legislation to support something without the support of additional, or what I would call robust, detail. We would certainly need that.

When you look at the matter, you can take into account the words of the current CEO of the PHIAC in what he billed as his likely valedictory address in Canberra just last month to the Health Insurance Restricted and Regional Membership Association of Australia. He said:

… the Australian version of PHI is a highly idiosyncratic beast with curiosities such as community rating, risk equalisation, taxation surcharges, rebates and membership incentives all interacting to form a cauldron of regulatory and commercial complexity.

… … …

PHI is a mystery for many Australians—they really don’t have the capacity or time to deeply understand the product yet they know the day will likely come when they will depend on it. And of course, very often that day is a day full of other stresses as well—illness, injury, psychiatric disturbance, the list goes on.

This is part of the reason that the opposition has concerns about these bills and why we cannot simply waive them through. It requires deeper scrutiny, and we are seeking to have this referred to another committee for that further scrutiny.

**ADJOURNMENT**

*The SPEAKER (16:30):* It being 4.30 pm, I propose the question:

That the House do now adjourn.

**South Australia: Economy**

*Mr ZAPPIA (Makin) (16:30):* Once again, in the 2015 federal budget South Australia was treated disgracefully by the Abbott government. That South Australia was unfairly treated in the 2014 federal budget came as no surprise. South Australians had just re-elected a state Labor government for the fourth time, and the Abbott government could not contain its
displeasure. In the 2014 budget we saw only four per cent of the $50 billion of national infrastructure funding allocated to South Australia, and South Australia's $18 million annual Supplementary Local Road Funding was scrapped. The government's backflip on the six-year Gonski education funding program particularly hurt South Australia because most of the additional funding for South Australia was earmarked for years 5 and 6.

The funding cuts and the capping of Murray River water buybacks directly placed at risk the additional 450 gigalitres of water returns negotiated by South Australia in the Murray Darling plan.

In a state with an ageing population, attacks on pensioners and seniors were felt harder. Decisions to terminate the longstanding funding of pensioners and seniors concessions, increase the pension age to 70 years, and scrap the senior's supplement, worth $1,300 for couples and $900 for singles, not only personally impacted on pensioners and seniors but also impacted on the state economy.

Simultaneously, the Abbott government turned its back on GM Holden, a major economic driver in South Australia, immediately causing a loss of confidence right across the state. Before the election, Treasurer Hockey, whilst in South Australia, claimed that the coalition was the car industry's best friend. After the election he showed his true colours. The end of car making in South Australia will cause a $1-plus billion annual hit to the South Australian economy and the loss of thousands of jobs.

That was further compounded by the government's blatant broken promise on building the 12 replacement submarines in South Australia—a $50 billion project that would give South Australia a much needed boost and secure the economy for decades to come. The ASC employs about 3,000 workers in South Australia and its operations sustain many more. Not only had South Australians been misled by the Abbott government prior to the election, but the Abbott government then shamefully set about destroying the reputation of the Adelaide-based national ship builder ASC. As the submarine saga drags on, a Senate committee and a purpose-held forum in Adelaide both heard from local and international defence experts who submitted that Australia had the ability to build, at a cost-competitive price, a fleet of submarines that would meet Australian requirements. Yet the government refuses to listen and continues to undermine ASC. Clearly the Abbott government is laying the groundwork for breaking its pre-election promise. The result is more jobs lost, more businesses struggling and growing uncertainty.

There was hope that the 2015 budget might rectify the contempt the Abbott government had displayed for South Australia in its first budget. That was not to be. The unfair cuts continued. Last year's cuts to health and education were all carried forward and added to. Appallingly, a further $318 million was cut from infrastructure funding to South Australia, including: $130 million cut from rail projects, $126 million cut from South Road, $62 million cut from other roads projects, $4 million cut from bridges renewal and $2.5m cut from heavy-vehicle safety improvements. Whilst the Roads to Recovery funding was increased by $31 million, it falls far short of the $318 million in cuts. Infrastructure funding is one of the most effective means of boosting the economy, and, knowing that other federal government decisions were causing job losses in South Australia, this was not the time to cut South Australia's already low share of infrastructure funding.
From time to time, governments of all persuasions have to make hard and unpopular decisions. However, most of the Abbott government's hits to South Australia simply cannot be justified. It is clear that the Abbott government has turned its back on South Australia, whilst federal Liberal MPs make disingenuous excuses for their government. It is a smaller state with fewer federal seats in this parliament. For the Abbott government, it is all about politics and the South Australian people simply do not matter.

**Tasmania: Economy**

Mr HUTCHINSON (Lyons) (16:34): I rise tonight to compliment the Tasmanian state government on the budget they have just recently brought down. The 2015-16 budget brought down by Treasurer Peter Gutwin in the last couple of weeks is really about heading in the right direction and building on momentum. I had the pleasure of attending a luncheon last week to hear the Premier and the Treasurer outline their plan for Tasmania. As I and my colleagues in this place often speak about, the economy in Tasmania is indeed recovering. In fact, business confidence in Tasmania remains at the highest level in the nation. In the past year 4,200 jobs have been created. Treasury forecasts that the Tasmanian economy will grow by 2.5 per cent in 2015-16, and that employment will increase by a total of 3.25 per cent over the 2014-15 and 2015-16 financial years.

But as we all know, there is more to do. Indeed, the centrepiece of the Tasmanian state budget this year was a suite of initiatives to support jobs growth. In fact, there was $315 million to support the creation of 8,000 new jobs. The jobs package is aimed squarely at improving the economy and underpinning jobs growth. It includes substantial amounts of money: $120 million for rail infrastructure; $60 million for the Northern Cities Major Development Initiative, which particularly targets Launceston, Devonport and Burnie and includes the Devonport Living City Project; $90 million dollars for the second tranche of irrigation schemes, which I have spoken about often in this place in the past 12 months; and $8 million for the Business and Job Attraction Scheme.

Health is so important in Tasmania. It is one of the biggest challenges that our state government has. The figures for health and presentations are unacceptable in my electorate, as they are in other parts of Tasmania. There has been a $100 million boost to front-line health under Michael Ferguson, the Minister for Health. The Hodgman Liberal government is making the biggest ever investment in Tasmania's health system, with $100 million in additional funding and a total budget of more than $6 billion over the four years of the forward estimates to help Tasmanians get high-quality health care when they need it. I particularly congratulate Michael Ferguson, the minister, on his initiative, the one health system reform, which is about getting more Tasmanians the highest possible standard of care. It means more Tasmanians will be getting the treatment they need when they need it in a state-wide health system where each hospital specialises in the services that they are best equipped to deliver, importantly, safely and efficiently. There has been an additional $76 million commitment to reduce waiting lists with the elective surgery that will provide treatment for up to 15,000 Tasmanians. I was very pleased also to see that there will be the provision of an additional ambulance officer at Oatlands in the Southern Midlands. That was something that was very high on the priority list for that part of Tasmania.

As Peter Gutwein, the Treasurer, said:

If the message in the Federal Budget was to have a go, the message in this one—
the Tasmanian state budget—
is to have that go here in Tasmania.

I congratulate him very much on that initiative. There was a substantial initiative for infrastructure spending on roads such as the Esk Main Road, the commitment on the Midlands Highway as well as the Tasmanian highway, and I congratulate Premier Will Hodgman on his vision for the great east coast road that I think in time will certainly rival the Great Ocean Road in Victoria. There are outstanding vistas wherever you are, and the opportunity that our state has to have one of our country's most iconic tourism drives is something that I think every Tasmanian appreciates and understands. The investment that the state government has made in tourism is truly unprecedented on the back of national recognition that has been achieved through awards very recently that are quite outstanding, and I congratulate the Premier and all involved in the tourism industry.

Illicit Drugs

Mr STEPHEN JONES (Throsby) (16:40): In the weeks before the budget, the government announced that it was launching a national strategy on methamphetamine and, in particular, ice. On the Sunday night before the budget, the first ads in what we are told will be a $20 million campaign were launched. This has been followed by a highly publicised national roadshow by the National Ice Taskforce. Labor will offer its full support and cooperation for evidence based policies. One of the best ways to get evidence based policies is to have evidenced based debate. The task force has enjoyed that; the parliament has not always. This is why I was concerned and surprised to read that recently a government MP opened a local summit on the impact of methamphetamine by retelling a story of an ice addicted boy who was rushed to hospital after gouging out his own eyes and eating them. The story was horrific. It was also untrue. The local health district could do nothing to confirm it, and on interrogation the MP confessed that she heard it from a person who had heard it from a person who had heard it from a person.

It is a morality tale but not in the way that it was intended. It is a perfect example of how not to deal with the delicate balance that we as politicians and community leaders need to engage in. On the one hand, we do need to communicate to the community that we understand and are listening to their legitimate concerns. But, on the other hand, we should not be adding unnecessarily to deeply held concerns and fanning them into hysteria. We do have a problem with crystal methamphetamine. It is not as big a problem as we have with alcohol abuse, but it is a significant problem, and it presents as very visible and acute problems in communities that, for lack of expertise, services and resources, are often ill-equipped to deal with it.

What is the nature of the problem? The data set is not complete. People do not walk around with a T-shirt say 'I'm an ice addict.' What we do know is that the number of methamphetamine users nationwide probably has not increased. What we have seen is an increase in the purity of the drug and the number of people who are using the purer form of the drug. That is, they are transferring from one type of drug to another. What we do know is that communities in rural and remote areas are suffering from a much more concentrated and aggressive form of the use of the drug, and these are areas that often, for lack of services, are ill-equipped to deal with it as well. There is also a stubborn correlation that exists between economic disadvantage and lack of opportunity and the use of all forms of illicit drugs.
Correcting these disparities is complex and often expensive. Declaring a war on drugs is often easier but not as effective.

I think that we do need to enjoy a bipartisan but evidence based approach to dealing with this very serious problem. But we also need to get it in perspective. I am pleased to hear the head of the task force declare that he does not believe that we can arrest our way out of this problem. It is true; we cannot. If the Prime Minister's figures are accurate, there are around about 200,000 people in the country who are using methamphetamine of one form or another. There are about 33,000 people in our jails today, so throwing ice users in jail is not going to be the answer. What we need is a serious debate, some serious evidence based policy. We also need to ensure that we are spending our limited resources in the best way possible. We should not make one area of expenditure in government's finite resources the enemy of another, but it is right to ask whether we are getting the spending in the most effective ways as possible. We know that about 66 per cent of Australia's drug budget is currently spent on law enforcement, and just 21 per cent is spent on treatment and 2.3 per cent on harm reduction. It is right to ask whether this is working.

We are also able to ask whether we are spending our resources at the Commonwealth level in the right way and whether we have got our priorities right. I said at the outset there was a much publicised national advertising campaign, which we are advised comes at a cost of about $20 million. Three days after the launch of that campaign, $500 million was taken from the flexible funds and around $8 million, we are advised, from the funds that are funding drug and alcohol treatment services. If we are going to make a legitimate and serious attempt at addressing this and other illicit drug concerns, we say that we have the priorities wrong in cutting the funding from those areas. We offer our full and bipartisan support to genuine, evidence based policies which will address these problems, and we have to get the debate right as well.

Royal Commission into Institutional Responses to Child Sexual Abuse

Mr IRONS (Swan) (16:45): I rise to update the House on the Royal Commission into Institutional Responses to Child Sexual Abuse, but I would also like to mention to the member for Throsby that I am running an ice forum tomorrow with the minister in my electorate. I assure him that the information we will be taking will be evidence based and that we will be feeding it back to the task force, but I appreciate his support for this task force.

The royal commission has been in the news a lot this week, but the reason I rise to talk about it is in the hope of the implementation of a national redress scheme both to recognise the suffering by innocent children in institutional care across Australia and to provide a means of compensation for the trauma they suffered. I have spoken about financial redress previously in this place and will continue to do so, but it is also priority access to services such as medical, legal, dental and housing that is needed for victims of abuse—not in another 10 or 20 years but as soon as practical.

In the past week, members would have seen a lot of discussion about the Royal Commission into Institutional Responses to Child Sexual Abuse on the news due to high-profile church leaders being questioned about the abuse they allegedly inflicted on children in institutional care or questioned about those instances of abuse they were aware of but turned a blind eye to. Given the news coverage, I do, however, believe it is important to highlight that this abuse was not limited just to churches and neither is the royal commission's inquiry. I
have said before that this should not be a witch-hunt around one church; it should be about finding those who abused children in institutions, whether they were charities, organisations or churches. It is not just about one church. This inquiry is into all institutions where claims of child abuse have been made across Australia. It is an inquiry which has revealed some of the most harrowing and horrific stories I have heard.

What people often forget is that abuse is not just sexual or physical. It is also when a child is mentally or emotionally mistreated. It is when they are poorly fed or poorly educated. And it is when they are denied their identity. The royal commission seeks to give these victims a voice to fight back against the forms of abuse they suffered, while the establishment of a redress scheme would ensure that each of these victims finally receives compensation. I highlight that state based redress schemes have previously been implemented in Western Australia and in Queensland, but they did not come close to appropriately compensating those victims who were unable apply in time before the schemes were shut down. Since the establishment of the royal commission inquiry, there has been another call for a national redress scheme. Thankfully, more people are starting to understand that a national redress scheme is the only way victims can be appropriately compensated, and the campaign for its implementation is continuing to progress.

Just this week, I arranged for the Care Leavers Australia Network, or CLAN, president, Maureen Cuskelly, and CLAN CEO and legend Leonie Sheedy to meet with the Minister for Social Services, Scott Morrison, to discuss the royal commission and the establishment of a national redress scheme. I was grateful that the minister met with them, and he has also agreed to visit CLAN’s National Orphanage Museum in Sydney, which features all manner of donated items from victims’ time in these institutions. Such items include home uniform badges, letters, and statements of receipts and payments from institutions. I thank the minister for taking the time to meet with Maureen and Leonie. I can say that he was genuinely interested in the government's national response to the victims when the findings of the royal commission are brought down.

For all the royal commission has proven, one key thing is that, to truly understand what these victims of abuse suffered, it is best to hear it in their own words. I would like, therefore, to read a few excerpts from the spoken submission that Leonie and Maureen made to the royal commission on behalf of CLAN. It begins:

The lives of Care Leavers have been greatly diminished by the pain and suffering they experienced as children growing up in institutions. The loss of their childhoods in many instances was complete. We were children who grew up believing we were second-class citizens, that we were worthless and fit for nothing.

And, as adults, we continued to believe this.

After years of neglect inside institutions we were released as young adults desperately unprepared for the world, with barely any education, life skills, let alone parenting skills.

For some of us, adulthood has been plagued by drug abuse, mental illness, broken relationships, poverty and homelessness.

For others, adulthood brought us the normality of work and family but no escape from haunting memories of deprivation and cruelty.
Bjorn Lomborg Australia Consensus Centre

Ms MacTIERNAN (Perth) (16:50): Last night in Senate estimates, Senator Kim Carr managed, against the odds, to extract some information on the funding of the Bjorn Lomborg Australia Consensus Centre. The key of the snippets, reluctantly provided, was that the decision to provide the $4 million of Commonwealth funding was not a decision to fund a particular university but a decision to fund a methodology, well in advance of any academic institution in this country agreeing to host such a methodology. So a decision was made to fund Dr Lomborg and his methodology, and Dr Lomborg was then told to go out and hawk the $4 million to any university that was prepared to provide the program. Again, I stress that when the funding was approved it had not had any involvement of any university.

How did the government manage to assess this methodology, particularly in light of its cuts to science and a constrained science budget? The methodology involves holding a conference of invited economists where they do cost-benefit analysis of possible solutions to various global problems and then rank them in order for money. The consensus conferences have always included climate change as a global issue, but, surprisingly, every time the responses to climate change have ranked very, very low on their priorities. Things like spending on vitamin supplements and promoting global trade are ranked as issues of much higher importance than climate change action.

The academics' critique of this methodology is that the attending economists systematically undervalue the economic risk of climate change and, hence, reduce the benefits of climate change action and upscale the costs. Academics have also criticised the selection of panel members, saying they largely comprise right-wing climate change sceptics. There is such criticism of this methodology that the Danish government has decided that it will no longer fund the Copenhagen Consensus Center; yet our government made the decision, presumably at cabinet level, that it would fund this methodology. What we want to know is: where was the scientific input; where was the analysis of the value of this methodology, particularly given these are constrained economic times?

We heard references to Labor's funding to a number of organisations from Senator Birmingham, desperately trying to defend the government's decision. He mentioned the Whitlam Institute about 10 times. The Whitlam Institute, established in 2000 within the University of Western Sydney, was a pre-existing organisation that, yes, certainly received funding from the Rudd government. Likewise, The Conversation was quoted as a funding exercise. Definitely, funding was given by the federal Labor government to this collaboration between the CSIRO and four leading Australian universities to make academic writings more accessible. Finally, there was the Australian National University's Australian Centre on China in the World—funding for some of the world's leading Sinologists at Australia's national university.

So, there is no comparison of that funding to the lack of process that went on in this regard. This is not a question of academic freedom. No-one would suggest that we fund the Flat Earth Society just because someone ran into the Prime Minister. We need information on what the process was that led to this centre being funded.
Liquefied Natural Gas

Dr JENSEN (Tangney) (16:54): Australia pioneered the industry of freezing pure methane to make liquefied natural gas, or LNG. Gas, of course, is abundant in Australia. Western Australian business is making the switch. Cleaner, cheaper fuel is not only good environmental and energy policy; it is also good economic policy. As the economy transitions from one based on a significant mining investment boom to a more sustainable, high-skilled, high-value-adding services export economy, we need to take stock of our inherent natural and abundant comparative advantages.

I would like to highlight and commend the work of risk-taking entrepreneurs in my seat of Tangney, particularly the team at Mobile LNG for their big idea for LNG. Their business is passionate about the substitution of imported diesel with Australia's own LNG, as this will deliver many significant advantages and benefits to the Australian economy. Going after a big idea is something that excites and animates us all as a nation, but today red and green tape often hold back the big ideas. We heard from the member for Forrest in this place on Wednesday, 25 February 2015 that the LNG industry has to comply with 150 statutes and 50 government agencies.

According to statistics from the International Energy Agency, Australia is currently the third largest LNG producer in the world, behind Qatar and Malaysia. The agency says Australia has the capacity to produce 24.4 million tonnes per annum.

Commonwealth spending should be directed away from dirty imported fuels and towards making better use of Australia's own natural gas. In 2013, the cost of petroleum/diesel imports was in excess of $42.2 billion. Ninety per cent of all petroleum products are imported. Using diesel fuel is between 20 per cent and 40 per cent more expensive than using Australia's own natural gas. Diesel fuel has pollution consequences that are either eradicated or significantly reduced by the use of natural gas. With a decreased need for costly imports of diesel, the conversion to using LNG—particularly for high consumers of diesel in the mining industry—is vitally important to Australia's economic future and productivity.

The paradox of Australia's current approach is that, despite Australia possessing an abundant natural gas resource as the means to direct a better outcome for its socioeconomic future, it continues to import expensive diesel/petroleum products, while maintaining policies for a diesel/petroleum dependent economy, and exporting the economic advantages of its own natural gas away in LNG form, to the benefit of other countries.

In short, this adjournment speech is about taking a longer term view of expenditures. It is about true investment—that is, wearing the capital expense to convert to LNG now to secure immediate and long-term cost savings. In addition, with this forward-looking view and boldness, we would secure the jobs and energy of the future. We need these projects and people like Mobile LNG; they are our energy bridge to the future. They define Australia as an energy superpower: strong in coal, strong in uranium exports, dominant in LNG. It is worth putting on the record the solid friends of LNG in this place—people like the member for Forrest, the member for Lyne and even the member for Brand.

The job of government is never to pretend it is a business. Government is about leadership. A vote of confidence in the future of Australia and the future of LNG would be government showing leadership by making the switch from diesel to LNG in its own operations. Europe
and the US are already making that transition, but Australia, an LNG superpower, is falling behind in using our own resource. We keep using imported resources instead of our own, threatening our own energy security. This is very similar to our myopic view of nuclear power, but that is for another day. First, let us lead by example today to make Australia first in the world tomorrow.

The SPEAKER: It being five o'clock, the debate is interrupted.

House adjourned at 16:59

NOTICES

The following notice was given:

Dr Stone: to move:

That this House:

(1) recognises the courage and sacrifice of the young Australian men who actively served in Bomber Command in World War II;

(2) requests the creation of a medal for Royal Australian Air Force men who served in action in Australian and British squadrons in Bomber Command in World War II;

(3) notes that:

(a) over 10,000 Australians served in Bomber Command, in which over 4,000 of these airmen lost their lives;

(b) Bomber Command had the highest casualty rate in Australia’s military history;

(c) a Bomber Command crew member had a worse chance of survival than an infantry officer in World War I; and

(d) there are fewer than 100 Australians remaining who flew in Bomber Command; and

(4) calls on the Government to, as a matter of urgency, create a medal to recognise and honour Australian airmen who served in Bomber Command in World War II.
CONSTITUENCY STATEMENTS

Ballarat Electorate: Indigenous Round

Ms KING (Ballarat) (09:30): I want to start my contribution by acknowledging the traditional custodians of the land on which this parliament gathers and paying my respects to their elders. I also wish on this occasion to pay my respects to the Wathaurong and the Dja Dja Wurrung people, the traditional custodians of the land in which the boundaries of my electorate of Ballarat fall.

Last weekend I had the great pleasure of being able to join in the celebrations of the AFL’s Indigenous Round—though I hasten to add, to the relief of many on the field, not as a player—at a local footy match in Alfredton between the Ballarat Football and Netball Club and the Melton Football and Netball Club. I was honoured to be able to present the Aboriginal and Torres Strait Islander flag to the Ballarat Football and Netball Club as part of the AFL Goldfields celebrations and the activities of the AFL Indigenous Round. The Indigenous Round is a terrific initiative that both honours and celebrates the great tradition of Aboriginal footballers, and it is fantastic to see it getting bigger each year, with more than 30 matches across the Ballarat region being involved in its activities, and it is the first time that I can remember—I am sure they will correct me if I am wrong—the Ballarat Football League being so actively engaged throughout.

As part of the celebrations, 30 Aboriginal flags were flown across Goldfields venues over the weekend—a tremendous gesture of acknowledgement and to pay respects to the traditional owners. I was privileged to be able to provide these flags to mark such an occasion. Plaques to each club representative were presented at a special luncheon representing the traditional owners. It is important that we celebrate the wonderful contribution that Aboriginal and Torres Strait Islander footballers have made to our national code. From the first Indigenous AFL player Joe Johnson to Michael Long to Adam Goodes, Indigenous Australians have made a magnificent contribution to the history and the culture of Aussie Rules. While the round is significant in that it celebrates Indigenous pride, it also gives us an opportunity as a nation to declare that racism has no place in our society, no place in our workplaces, no place on our sporting fields and no place in our parliament. It certainly has no place in football.

I want to thank the Ballarat Football and Netball Club for hosting me on Saturday. I especially want to mention Rod Ward, the Regional General Manager of AFL Goldfields; Aaron Nunn, the Operations Manager at Red Onion Creative, Ballarat Football and Netball Club; Melton Football and Netball Club; and all of my fantastic teams that participated in marking the Indigenous Round across the Ballarat region. Lastly, of course it would be absolutely remiss of me not to mention it: go mighty Richmond Tigers for winning the Dreamtime at the ‘G match on the weekend!

Indigenous Police Recruiting Our Way Delivery Program

Mr COULTON (Parkes—The Nationals Chief Whip) (09:33): Today I rise to speak about the Indigenous Police Recruiting Our Way Delivery program, otherwise known as IPROWD.
On Tuesday last week I had the pleasure of meeting the students from the current IPROWD programs in Dubbo, Newcastle and the Illawarra here in Parliament House. A group of about 70 of these young recruits came to Parliament House and met with the Prime Minister, the Minister for Indigenous Affairs, the Assistant Minister for Employment and Mr Ken Wyatt, who we all know is the first Aboriginal man to be elected to the House of Representatives. I would like to thank those people for taking the time to meet with the IPROWD group, because I do know that they were very pleased to be able to speak to the Prime Minister and senior ministers about the program.

The IPROWD program is a specialist training program that assists Aboriginal people to gain entry into the New South Wales Police Academy at Goulburn. It is a program that is co-funded between the Australian government, TAFE New South Wales, the New South Wales Police Force and Charles Sturt University all working together in a partnership that offers the IPROWD training program at a range of locations across New South Wales. It was really interesting to hear some of the stories from these students who are undertaking the program. Some of these students did not finish high school. One IPROWD participant I spoke to—not in this program but the one before—had seven children and in her early 40s decided that she wanted to join the police force not only to be a role model for her children but also to help her own community.

The ultimate aim of this program is for students to join the NSW Police Force; not everyone does—many of the students go on to do other things—but what it does do is give them opportunities to improve their level of education, their physical fitness and their preparedness to go on and do other things.

Overall, these students see the IPROWD program as an invaluable opportunity to establish a meaningful career for themselves with secure long-term employment, something that some of them only ever considered to be a dream. I was very pleased to find in this group a couple of young ladies from my electorate from the town of Goodooga, way up on the Queensland border, who had come down to undertake the IPROWD program to join the police force so that they can be role models for their community. I would like to acknowledge Peter Gibbs, the coordinator; councillor Rod Towney; Troy Grant, the Deputy Premier of New South Wales; and NSW Police Assistant Commissioner (Ret) Steve Bradshaw for their work in instigating this program.

457 Visas

Ms CHESTERS (Bendigo) (09:36): This week in Senate estimates it was revealed by the Fair Work Ombudsman that roughly 20 per cent of 457 visas involved in a particular investigation involved exploitation of those workers. Concerns were raised that they were not working in the nominated position on their original sponsorship visa or that they had in fact been underpaid. The figure of 20 per cent is alarming. It is alarming to think that 20 per cent of workers who are here on 457 visas could be being exploited. The government needs to act. This has only occurred since this government came to power and relaxed the requirements for 457 visas. They did it under a smokescreen, saying it was red tape repeal day; they were going to repeal, make it easier and relax compliance for people and businesses wanting workers here on 457 visas. What have we seen as a result? An increase in the reporting of exploitation.
The Australian worker visa program must operate with the assurance that it is going to be robust and protect workers' rights. It cannot be used as a way to replace Australian jobs and it cannot be used to supply a cheap labour source for people working within our country. At the moment, unemployment is at the highest level it has been for 14 years. It is up to 6.5 per cent and is higher in the regions where we have a lot of these temporary workers. The government needs to act because it is not just in the horticultural industry and the meat processing industry; it is going on in construction, in cleaning, in some of our industries where we expect employers to do the right thing.

Now is not the time for the government to be loosening up the scheme and making it easier for businesses to bring in workers; what they should be doing instead is investing in the skills of our young people. What we do not want to see in our workplaces is further evidence from the Fair Work Ombudsman that one in five visa workers is being exploited. What we want to see in our workplaces is one agreement, one employer and one rate of pay. We cannot afford to have two sets of pay in our workplaces and we cannot afford to have people who are here as guest workers being exploited. What has been revealed this week in estimates is another demonstration of why this government needs to act. They need to crack down and ensure that there is integrity within the visa system and that these visas are not being used to exploit our workers. In my own electorate this is one of the issues that gets lots of local and media attention because people are concerned. They are concerned that their young people cannot get jobs and that young people are missing out to people who, unfortunately, are being exploited. Now we have the evidence, and the government must act.

Bougainville

Mrs PRENTICE (Ryan) (09:39): One of our obligations as a developed nation is to support developing countries, particularly in our region. The autonomous region of Bougainville is one of our closest neighbours. With the negotiation of the Bougainville Peace Agreement, which brought to an end more than 10 years of civil war, Bougainville became Papua New Guinea's first autonomous region, a status guaranteed by PNG's constitution.

Bougainville have in the last few weeks held only their third election since the agreement was signed in 2001. Recently I was a member of the Australian team in a United Nations coordinated international observation mission for that election. The UN provided assistance, including observers, with our presence contributing to voter confidence and providing important oversight of the process. The Australian government has provided continuous support for Bougainville as part of its overall assistance to PNG. Indeed, for this election we also funded the printing of the ballot papers.

I have travelled to Bougainville previously with the foreign minister and I am critically aware of the challenges that both Bougainville and the national PNG government face on this journey from war to peace, as does my colleague the member for Macquarie. I am pleased to acknowledge how far both parties have progressed down that road.

Our role as observers was to assess the polling process and see if voting was done in a fair and reasonable manner. I am pleased to advise the House that on the booths I observed this was clearly the case. Voting was conducted in an orderly and peaceful manner. Polling officers were knowledgeable about the required voting process and I witnessed good cooperation between the police and the polling officers.
There are a total of 40 seats: three reserved seats for ex-combatants, three reserved seats for women, 11 seats in each of the three regions and the President. I have previously paid tribute to the three remarkable women MPs from Bougainville who are empowering other women in the region. They represent the three reserved seats for women in the Bougainville parliament but, importantly, many more women nominated this year not just in these seats. There were 35 women candidates, out of a total of 342 candidates, and of these 12 women nominated for the open seats. Hopefully, this means we will see even more women in the Bougainville parliament after the election.

I was honoured to represent Australia on this mission and to be involved in the election process. The people of Bougainville are keen to see their country progress. The election process I witnessed was professional and well run. Many seats have now been declared and voting is coming to an end, which means that the next step for the people of Bougainville is a referendum for independence, which could occur within the next five years. There have been some reports of incidents but overall the impression is positive. The challenges for Bougainville and PNG will continue as a referendum on independence approaches. What is important is that they both work within the framework of the Bougainville peace agreement rather than resorting to armed conflict. The road ahead will be challenging for both but, with goodwill and open minds, these challenges can be overcome. If the conduct of this election so far is any guide, we should be optimistic about their future.

Kingsford Smith Electorate: Fundraising

Mr THISTLETHWAITE (Kingsford Smith) (09:42): I wish to congratulate and thank the Bangladeshi and Greek communities in my area for two recent fundraising efforts in support of medical research. On 10 May the Bangladeshi community came together once again to organise a biggest morning tea in support of the New South Wales Cancer Council. Hundreds of families came together to enjoy Bengali food, desserts and entertainment with representatives from the cancer council and local political leaders. On the day in Mascot over $5,000 was raised for cancer research and prevention. This was one of four events that the Bangladeshi community in Sydney organised. Another event was organised in Blacktown, in the member for Greenway's seat. In total over the four locations $23,000 was raised for the cancer council this year.

This event has been running since 2001. Since 2001 the Bangladeshi community has raised an amazing $125,000 for cancer research in Australia at those morning tea events. I am really proud to have such an active and philanthropic Bangladeshi community in my area. I wish to in particular congratulate once again Azad Alum and his organising committee for their work on putting on and organising this wonderful event in support of cancer research.

Secondly, the Greek community through AHEPA, the Australasian Hellenic Educational Progressive Association, have once again held their annual fundraising dinner in support of medical research. Over $20,000 was raised on the evening for oncology research and juvenile arthritis. This event has been running for many years and they have raised hundreds of thousands of dollars for medical research. I congratulate Tasha Vanos, the Chair of the Medical Research Foundation for AHEPA, and the organising committee for the wonderful work they do.

Finally, once again for AHEPA, the Daughters of Penelope chapter recently held a fundraising lunch at The Lakes golf course, in our community, for domestic violence
organisations. Vicki Johnston, a domestic violence worker in our community, came along and gave a very impassioned plea for more support on domestic violence. She was supported by Sophie Cotsis, a member of the Legislative Council in the New South Wales parliament. At the lunch, the Daughters of Penelope raised $1,000 for domestic violence organisations, but they also donated much women's and children's clothing and toys for those who are afflicted by domestic violence. I thank Louisa Melas and her board, for the Daughters of Penelope.

Renewable Energy

Ms HENDERSON (Corangamite) (09:45): I rise to speak about our government's very strong commitment to renewable energy. I did not have an opportunity to speak on the Renewable Energy (Electricity) Amendment Bill 2015, but I just want to record in this chamber my very strong support for the bill and the measures that are being put in place to deliver a very strong future for the renewable energy industry.

In my electorate of Corangamite, there are many, many people who support solar, who support wind and who support a renewable energy future, so I am very, very pleased that the amendments that were put forward and of course have been passed by the House of Representatives, the lower house, will legislate a large-scale renewable energy target of 33,000 gigawatt hours by 2020. This will result in more than 23.5 per cent of Australia's electricity being derived from renewable sources by 2020. Of course, there will be no change to household solar—what is known as the Small-scale Renewable Energy Scheme. I am very pleased that the government and the opposition will work cooperatively on a bipartisan basis to resolve any issues which may arise with the operation of the RET through to 2020.

I have been, as I mentioned, a very strong advocate for a strong, effective, renewable energy target. It is certainly terrific to see this matter resolved. I am certainly very pleased that there will be a 100 per cent exemption for emissions-intensive trade-exposed industries from the costs associated with the RET. This protects industry, and it protects jobs. The bill will also increase support for all emissions-intensive trade-exposed activities for full exemption from all RET costs. Of course, as we know, we need all the support we can give to those very important industries.

As highlighted in our energy white paper, Australia has an oversupply of generation capacity, and some of that is aged. This is due to a number of factors: declining activity in the industrial sector, increasing energy efficiency and strong growth in rooftop solar. I think the compromise position that has been reached of 33,000 gigawatt hours directly addresses these issues. It protects jobs, and it provides a very sound future for the renewable energy industry.

Greenway Electorate: Wentworthville Swimming Centre

Ms ROWLAND (Greenway) (09:48): I am delighted to rise today and update the House about my local community's campaign to save the Wentworthville Swimming Centre from closure. I am pleased to say that, after a strong and sustained community campaign, Holroyd City Council has at last voted to keep the centre open. It has made the right decision. This is an incredible community victory off the back of a grassroots movement and highlights just how effective people power can be when it mobilises to collectively fight for something at the heart of their local interests.

For nearly five years I have been a vocal proponent of keeping this local landmark open. During this time I have been truly overwhelmed by the passion and tireless efforts of local
residents, many of whom I meet at street meetings; on their way to work, at Toongabbie and Pendle Hill train stations; and through my petitions on this issue, where over 1,000 residents signed to keep this facility open. Specifically, I want to mention Councillor Lisa Lake, who took up the cause with gusto, even at times when all seemed lost. I am told that, during the recent Holroyd City Council meeting to decide the fate of the pool, representatives from Greenway's local schools, the learn-to-swim program, our swim clubs, learn-to-swim volunteers and local scouts and many individual local residents all impressed upon councillors the true value of this facility to our community.

In celebrating this decision, I think of the countless positive effects it will have for my local community, including for residents such as Paul Anderson. Paul has spondylitis, a condition that affects the spine, resulting in the joints of the neck, back and pelvis becoming inflamed, causing great pain and stiffness. Paul would be lost without regular exercise at Wentworthville pool. 'I can hardly walk, and this is my only exercise,' he said. I think about our local families in an electorate where the number of families with children under four years is well above the national average. Many young families will continue to enjoy the babies' pool located at the centre. I think about our local schools that will continue to enjoy the benefits of instilling positive exercise habits in our children through school swimming carnivals and learn-to-swim classes. Indeed, that is where my own school's swimming carnivals were held.

Today, as we face challenges of chronic disease associated with conditions such as obesity and low-activity levels, we need to encourage exercise initiatives. We see that children who exercise have better concentration levels, and their ability to understand the school curriculum also improves. I think about members of the swimming club who will continue to enjoy taking part in a wonderfully healthy and social activity in the mornings. This year Wentworthville Swimming Centre will celebrate 50 years since its opening. It is truly a local landmark and an integral part of the Greenway community. Long may current and future generations continue to enjoy this important community facility. This truly is a victory for our local area.

Trade

Mr TAYLOR (Hume) (09:51): There are some very busy people in this place, and the small business minister is one of them. We certainly hope those opposite will keep him busy with many more questions in the parliament. Together, the minister and I were at a seminar in Yass a few weeks ago, outlining the opportunities in my electorate from free trade agreements. There were more than 80 exporters and potential exporters in the room. The clear messages for everyone were: aim for the top, aim for niche markets and know your markets well. It sounds simple, but it is crucial advice. We should never forget that our biggest agricultural industries have always been built on free trade agreements. Exporters know that, as well as an open door, they need minimum bureaucracy and maximum impact for their products.

Clonakilla wines from Murrumbateman are a product many of us in this place know and enjoy. Chief winemaker Tim Kirk exports into the US, Canada, Asia and parts of Europe. His advice at Yass to exporters was to think beyond just marketing generic products. We need to penetrate markets at the pointy end of the pyramid, not the base. In his words—and I agree strongly—'Australia is home to produce that is the equal of anything in the world. It is our job
to communicate that exciting news effectively.' He says opportunities in China are exploding and that China would swallow the entire Clonakilla production if he let it.

Ted and Lynne Philpott from York Foods at Goulburn were also in the room. They export wagyu oil into Germany and Singapore and have produced a range of other niche domestic products. Their message to exporters, particularly in light of the recent FTAs, is: 'Stick with it. While it will cost you more time and effort than you plan, the opportunities are everywhere.'

I was absolutely delighted with the strong turnout to the forum, and I remain committed to offering ongoing assistance to businesses looking to break into export markets. I am also working to solve market access issues for the cherry industry. It was great to see a big contingent of cherry growers from Young, Wombat and Wallendbeen at the FTA seminar. Cherries are highly sought after in the Asian market, particularly in Korea, China, Thailand and elsewhere, with streams of tourists and students from Asia travelling to the Hill Top region of Hume at cherry season.

Small businesses such as the cherry growers from Young, Clonakilla Wines from Murrumbateman and York Foods from Goulburn are front and centre in this government's efforts to stimulate the economy. Bruce Billson will be in my electorate again this week, addressing a community forum in Picton on the support for small business in the federal budget. I warmly invite all local businesses along, and I thank the minister for making himself so available to the growing small businesses of Hume.

Hume, Mr Patrick

Ms PARKE (Fremantle) (09:54): It was with great sadness that I learned Nyungar elder Patrick Hume passed away on 20 May, and I offer my sincere condolences to his family and to the many people who benefited from his leadership, friendship, care and wisdom. Mr Hume was a significant leader in the community I represent. Over a 30-year period, Mr Hume worked with successive Western Australian premiers and the WA Department of Aboriginal Affairs to secure more than 300 Aboriginal heritage sites across WA.

Ten years ago he stood before the Federal Court to make his own claim for Nyungar native title. Indeed, Mr Hume gave testimony before the Federal Court of Australia that was critical in proving Nyungar native title in the Swan River region, an area known to the Nyungar people as the Derbarl Yerrigan.

Navigating the twists and turns involved in the change of governments and of government policy, but undeterred in the face of persistent intolerance and inequality, Mr Hume remained true to his values and beliefs, and he pursued his ideals with unceasing energy, passion and cheeky good humour. Mr Hume and his late wife were founding members of the Aboriginal Medical Service, the Aboriginal Legal Service and the Aboriginal Housing Board. He led the Aboriginal advancement council in the 1970s, and in the 1980s and 1990s he worked on a voluntary basis to drive deceased elders back to their remote communities so that they could be buried in country. Mr Hume championed the establishment of the Mandjah Boodjah Aboriginal Corporation's Indigenous housing initiative in my electorate, where senior Aboriginal people from the Fremantle community reside and where young Aboriginal people can come to feel welcome and safe, and to receive mentoring from their elders. I know that Joy Collins spoke movingly at the funeral service on Tuesday of Mr Hume's involvement in the Mandjah Boodjah project, which Joy herself has spearheaded. Mr Hume's lifetime
commitment to reconciliation and to the full and equal participation of Indigenous people in Australia was recognised when he was awarded the West Australian Centennial Medal.

I would like to conclude by noting, with sadness, that Mr Hume was at the forefront of efforts to prevent the WA government putting a truck freeway through the middle of the Beeliar wetlands—a site of immense cultural and spiritual significance to the Nyungar people, as well as being a habitat of enormous environmental importance to a number of endangered species and migratory birds. I say 'sadness' because this damage is still very much in prospect and I know that Mr Hume would have been a decisive part of the battle that we need desperately to win. I had the privilege of meeting and working with Mr Hume. He was a person whose goodness poured out of him. He was clear and forthright and never afraid to take on discrimination or injustice, but he always started from a position of seeing and expecting the best in others. My community will feel his loss—but we will remember and be inspired by the example of his big life.

Macquarie Electorate: Health

Mrs MARKUS (Macquarie) (09:56): I rise to speak on a matter of great importance not only for the people in the electorate of Macquarie but also for those across our great nation. I wish to speak on the importance of automated external defibrillators—AEDs—and a vital project that is currently being run throughout the Hawkesbury region in the electorate of Macquarie. The project I am referring to is the Windsor Rotary's Hawkesbury Heartstart Campaign. The founder of this valued campaign is Dr Ravi Sahasrabuddhe, a local Windsor Rotarian and respected local doctor who has been in the Hawkesbury region for more than 42 years.

Unfortunately, most of us will know someone who has suffered a heart attack. Timing to assist patients is crucial. According to St Johns Ambulance Australia, for every minute a person waits for defibrillation, the chance of survival decreases by 10 per cent. Each year, some 30,000 Australians will be unfortunate enough to experience a sudden cardiac arrest. Sudden cardiac arrest does not discriminate against gender or age. And unfortunately, less than five per cent survive, and this can be often because help cannot be reached in time.

Defibrillation is the process of attempting to restore the heart's normal rhythm. When used, defibrillators recognise any abnormalities in the heartbeat and detect whether a shock is required or not. If a shock is required, it will be delivered by the defibrillator via electrode pads attached to the person's chest. Dr Ravi is looking to get at least 12 more defibrillators in the Hawkesbury to be installed as a matter of priority across the Hawkesbury community: in schools, clubs, swimming pools and sporting facilities, just to mention a few.

That is why Dr Ravi teamed up with Windsor Rotary Club in search of an avenue to drive this program. The Windsor Rotary's Hawkesbury Heartstart Campaign was initiated and launched at the Richmond Club on 15 May 2015. Windsor Rotary's Hawkesbury Heartstart campaign aims to: educate the community about what action to take when a sudden cardiac arrest situation arises; increase the currently low numbers of defibrillators available in the local community; make the location of defibrillators available to the public easy to find and known to the 000 operators; assist sporting and community organisations in acquiring a defibrillator either by assisting in their purchase or assisting the organisation financially if necessary; arrange training in the use of defibrillators.
Each unit costs approximately $2,700 each and so the heartstart campaign is asking the community to jump on board and help fundraise. The people of the Hawkesbury are a close, warm-hearted and connected community and it is heart-warming how many have already put up their hands to get started. Organisations such as Chesalon nursing home at Richmond, Hawkesbury Village, Windsor bowling club and St Peters Anglican Church at Richmond have jumped on board and are committed to raising funds to purchase their own defibrillators. The Richmond Club is a great backer of this cause. I would also like to take this opportunity to congratulate Chisolm Catholic Primary in Bligh Park, which has recently purchased a defibrillator after a year 4 student collapsed.

The DEPUTY SPEAKER (Hon. BC Scott): Order! In accordance with standing order 193 the time for members' constituency statements has concluded.

CONDOLENCES

Johnson, Hon. Mr Leslie Royston, AM

Debate resumed on the motion:

That the House record its deep regret at the death, on 26 May 2015 of the Honourable Leslie Royston Johnson AM, a former Minister, Deputy Speaker and Member for the Division of Hughes from 1955 to 1966 and 1969 to 1983, place on record its appreciation of his long and meritorious public service, and tender its profound sympathy to his family in their bereavement.

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (10:00): I was 14 when Les Johnson resigned as the member for Hughes to take up the post of Australian High Commissioner to New Zealand. Until that time in late 1983, Les had been my local member. Of course, I knew him because I was already interested and active in the Labor Party at that time. But my first knowledge and experience of Les was at the many school events that he had attended throughout my childhood. He was the very nice man who used to turn up at speech days. I discovered much later that he was also the man that my parents voted for at election times. My family lived in Oyster Bay in the Sutherland shire. Les Johnson and his wife, Peg, and their three children, Grant, Sally—sadly now deceased—and Jenny, lived not far away in Jannali. Grant, Sally and Jenny attended the same high school as I and my brothers did.

Les Johnson saw both the hardest and the best of times in his political career. He was first elected in 1955, the year of the great split in the Labor Party, when the electorate was first hived off from the electorate of Werriwa, represented by Gough Whitlam. Les had been Gough's campaign director when Gough entered parliament in 1952. Les's first stint as member for Hughes from 1955 until 1966 was in the days when the infrastructure crisis was very real. Very few streets in the Sutherland shire were sealed or sewered, and waiting times for telephone connections exceeded two years. These were the issues which Les, as a first-class local member, took up with gusto.

The member for Berowra and I were very honoured to be at Les Johnson's funeral yesterday. We heard very loving tributes from his family and former colleagues about just what a great local member Les Johnson was—out every night of the week, when he was not in Canberra, at branch meetings, at community meetings. He was a patron of 60 organisations, to which he sent a guinea a year as his tribute. He was indeed a very active local member. He was the 'member's member', as I think they described him yesterday.
After 11 years in opposition federally, Les lost his seat in the Vietnam election of 1966, as did many of Labor's best and brightest. Les was a passionate articulator of the horror of the Vietnam War. Les was tough though. He grew up during the Great Depression. He had left school at 14 to help support his family, and it took more than an election defeat to knock him down. After a redistribution, he won Hughes again in the 1969 election with a large swing, so he was part of the Labor caucus that went into that great, historical 1972 'It's time' campaign. He became the Minister for Housing. The Commonwealth-State Housing Agreement he negotiated was one of the early achievements of the Whitlam government and saw a very substantial increase in Commonwealth support for affordable housing. He later took on the public works portfolio, becoming the Minister for Housing and Construction in late 1973.

The portfolio that gave him the most satisfaction, however, was Aboriginal affairs, an area in which he had a long involvement, including the establishment of the Kirinari Hostel for Aboriginal students—which he was largely responsible for establishing, with Hazel Wilson—in the Sutherland shire in the 1960s. He was the Minister for Aboriginal Affairs at the time of Gough Whitlam's historic returning of red soil into the hands of Vincent Lingiari, symbolically handing the Wave Hill station to the Gurindji people. Les, as minister, attended that ceremony, as did a large number of journalists, officials and other dignitaries, so many in fact that two VIP jets were needed to transport them—the Whitlam plane and the Johnson plane. When Les returned to his plane after the ceremony he saw an angry Prime Minister standing on the steps of the prime ministerial plane. 'What is wrong?' Les asked. 'What is wrong?' Whitlam fumed—'I will not use the word that Gough used—'Your plane just blew the door off mine,' which it had when its engines had been started. Whitlam, who had an engagement in Western Australia, then commandeered Les Johnson's plane, and Les and his passengers had to cool their heels until a replacement plane arrived from Canberra.

More than 30 years after his retirement, Les is still fondly remembered throughout the Sutherland Shire and the Hughes electorate. During the 1950s and 1960s the personnel and resources Les had as a local member were one electorate secretary, one telephone and one typewriter. That was all Les needed to carve out a reputation that exists to this day of a first-class champion of his constituents. His slogan was 'always available', and, indeed, from the reports yesterday of his work, I think that must have been the case.

He served our party and our country well, over many decades, always firm in his belief in Labor values and the importance of Labor governments to make real change in people's lives. Our thoughts and sympathies are with his wife, Marion, his son, Grant, and his daughter, Jenny, their families, his friends and the many people whose lives he touched.

Mr RUDDOCK (Berowra) (10:06): I want to take this opportunity to thank the chamber for allowing us today to be able to continue this condolence motion, because when it was being debated yesterday his state funeral was being held and I had the honour to represent the Prime Minister of Australia at that service. But, for me, I think it was particularly important that I do so, having served with him in the parliament—in my case, from 1973, when I was first elected, until 1983, when he left the parliament and later became the High Commissioner to New Zealand. So I speak of somebody I know.

I had the privilege of seeing him on another sad occasion: the death of Margaret Whitlam. I remember well the conversations I was having with Les in the New South Wales library, after the service, when we were able to reflect on some of our times together. I will not regale all of
the activities I know him to have been involved in, save to say that he was an extraordinarily effective federal member for Hughes. When you heard about the way in which he linked with that electorate, I think he would be a very important role model for so many members of parliament today to examine and see what you need to do if you want a long career in this place.

I do know the Deputy Leader of the Opposition was right when she observed that yesterday there was a lot of reflection on the way in which Les Johnson undertook his activities in the seat of Hughes. It is not the part of Sydney I am from. I often talk of Sydney as being a city of tribes, and those from the shire are often seen to be very different! I represent the hill tribes of Sydney—I tell people that frequently! But I am familiar with those southern areas of Sydney. For him to be able to build the linkages he did I think demonstrates the extraordinary individual he was, because he covered the field. He was seen to represent the whole of the community in a very positive way. But I was particularly gratified that he had this continuing interest in Aboriginal and Torres Strait Islander affairs. It is reflected in some other roles he undertook that I too have filled at one time or another. He was a member of the council of the then Australian Institute of Aboriginal Studies, he was the Minister for Aboriginal Affairs and he had an engagement in relation to our First Australians that predated his election to parliament. That has been brought out in the eulogies that have been written.

For my own part, I very fondly remember that, when I came into parliament after a by-election, I was approached by a whip who said to me, 'You will have to get on a parliamentary committee.' I said, 'That is very interesting—what committee do you recommend?' He said, 'We will wait until we find a vacancy.' The first vacancy was on the Aboriginal and Torres Strait Islander affairs committee. I can remember, when we were doing an inquiry in relation to Yirrkala, walking around with the late Professor Stanner and becoming familiar with issues I knew very little about. I had had some engagement with Indigenous people at the University of Sydney, including with people like Charlie Perkins, but I really did not know a great deal. For me it was an education.

There was a change of government in 1975. Billy Wentworth came to me and said, 'I think you had better be the chairman of the Aboriginal Affairs committee—I am going to propose you.' I was appointed chairman of a committee that had three former ministers for Aboriginal affairs on it: Billy Wentworth, Gordon Bryant and Les Johnson. So my early induction around the Northern Territory and Western Australia was kept in line by three former ministers for Aboriginal affairs.

An honourable member interjecting—

Mr RUDDOCK: No, not a liability—I was very privileged. I wanted to make that known because it added, as everybody in this place knows, something special to the relationship.

I could go on and talk about his many roles, but I will not. I will mention a couple of matters that I do not think have been focused on by other contributors. One was his leadership in the movement to get 18-year-olds the vote—something that the Labor Party did in the early 1970s. I think that was of some note. I also observe that he was, for a time, a whip. I think, for the sake of those who take an interest in these matters, that it was quite interesting that he was reported to have said that he did not like the title. He wanted something with an Australian flair. He said that the title of ‘whip’ dated back to the 18th century fox hunt, referring to the whipper-in of those who job it was to ensure the hounds did not stray far from the pack. He
thought that terms like 'boundary rider' or 'jackaroo' might be more appropriate. He was an interesting man and I thought, given that I had that role myself for a small amount of time, that those comments were particularly perspicacious.

There were two matters that those who contributed to his service yesterday wanted noted about his service to the nation and this parliament. If you go through it, you will see in the Parliamentary Handbook that he was a leader of a parliamentary delegation to India, Pakistan and Iran in 1974 and a delegate to the international conference on Bangladesh in 1971. It was a very propitious time for him to be involved in that conference, because it was a question of the development of that separate new nation. I am told that not only did he go as a delegate and take these issues up forcibly as an Australian participant; he in fact went across the border—putting himself and the others who went with him at risk—to advocate very strongly for that cause. He was the sort of individual who passionately believed in those causes that he took up and I think it ought to be remembered in that way.

Finally, for those of us who one day will take an interest in these matters, I am told he was also the founder of the former members society. We may all think about that some time. I am not in any hurry to do so, I might say. But he, along with another dear friend of mine Dr Malcolm Mackay, were the two former members who put in place the foundations for the society of former members that we have now. I think he was very pleased to be able to have that continuing involvement.

As I said, it was a great privilege to be able to represent the Prime Minister at his funeral. Les was formerly a widower, but his new partner was one I was able to speak to, Marion, and offer my condolences personally. I think she said, and it pleased me, that Les had observed, as he thought about what the arrangements might be, that he hoped I might be there at that time. It was a wonderful event to recall the life of a very significant contributor and I did want to be associated with the condolence motion. I thank the chamber for allowing the debate to be extended to enable this contribution to be made.

Debate adjourned.

Kirner, Ms Joan Elizabeth, AC

Mr BRENDAN O'CONNOR (Gorton) (10:17): I rise to reflect upon the passing of Joan Kirner, who passed away at the age of 76 on Monday. Joan Kirner, of course—former Premier of Victoria, the first woman Premier of my state—had a remarkable political record. I think it is very important to note before her entering parliamentary politics how active she was in community politics. Many people have already said since her passing that she was a great activist and she cut her teeth or forged her politics in the area of education. We have heard the fact that she was inspired by her father, a fitter and turner, as a passionate advocate for social justice. She was inspired by both her father and her mother, who was a music teacher, to advance the cause of education, the transformative power of education, the right of children to have a good education and to be able to contribute and have opportunities in life.

I knew Joan. I first met Joan when she was a minister in the Cain government, but I knew her as Dave's mum. I was a good friend of one of her sons, David Kirner, and she struck me as a remarkably strong woman, personable and very engaging. As people have noted, in her first role as Minister for Conservation, Forests and Lands she created a remarkable policy in the area of landcare—a policy that went beyond the bounds, ultimately, of Victoria, beyond
that state, to become I think a bipartisan approach to landcare in this country. The reason for that and the reason for the success of that policy was that she brought people together, in many cases people that had competing interests, competing constituencies. She forged a partnership with the Victorian Farmers Federation, conservationists and others and developed a remarkable policy.

People who say of her that she was a member of the Socialist Left and that somehow she might have been partisan. But she had a remarkable capacity to stand in the shoes of others and to see things from their perspective. The Landcare policy, her first remarkable area of work—in parliamentary politics at least—was a testament to her capacity to think about the issue from every perspective, from farmers' and conservationists' perspectives, and to bring these competing, conflicting constituencies together. She did that. That is why, when she raised the policy with the then Prime Minister Bob Hawke and other federal ministers after she had made it a success in her own state, it was embraced not just by Labor governments but indeed by conservative governments as well.

People talk about her role as the education minister. She introduced the VCE into Victoria. Again, this was a remarkable policy that provided better opportunities for children in that state to access a good education. She got many of her ideas from being a teacher. She graduated from the University of Melbourne. She was a teacher at Ballarat Girls' Technical College. As we have heard, she was required by law to surrender her profession once she married her husband Ron. It is a remarkable thing to think today that a woman who married had to automatically relinquish her own profession. How could that not have an effect on one's views about gender equality in society? She may well have taken some time out of work, as she had three children, but she was constantly active. She became the President of the Victorian Federation of State School Parents' Clubs, a very powerful lobby group in the seventies. She held that position from 1971 to 1977 and then she became the executive officer of that organisation. That is where she got many of her ideas which later became policies of that state when she was Minister for Education. So in two portfolios she left a very significant mark in the areas of conservation and education in that state and, I believe, influenced national policy in both areas beyond that—a remarkable achievement.

What she is also remembered for is that when the government was in dire straits for a variety of reasons—not least of all the failure to regulate and prevent greedy people from doing greedy things—the Labor Party turned to her as a successful and senior cabinet minister to take the role of Premier. She discharged the functions of Premier very well—against the odds, if you like. We have heard the tributes from her then opponent Jeff Kennett. He was not providing too many tributes at the time he was competing against her, but he has graciously provided some assessment about her formidable ability and has remarked upon her values. I think that is entirely appropriate. She endured enormous pressure. Even though Labor was defeated badly and it was a resoundingly successful victory for the conservative party, she still remained very popular in that state and she was very gracious in her concession speech on that night.

Upon leaving parliamentary politics, she set about rebuilding Labor. One of the ways she knew she could do that was to improve the opportunities for women in the Labor Party and to provide a party that was modern and that was more reflective of society. That is why she became the co-founder of EMILY's List. The concept for this organisation was borrowed
from the United States. It really was about ensuring that women of calibre were given the same opportunities as men. I have to say our history back then was not good in terms of allowing women to participate fully in the party, and there is still more to do. But it is remarkable to note that 50 per cent of the cabinet ministers in the current Victorian Labor government are women. The same is the case for Queensland. I do not think it is a stretch to say that would not have happened so quickly and it would not have happened by this year if it had not been for the work undertaken by Joan Kirner and others in creating EMILY’s List and cultivating and encouraging remarkable women.

I can use a lot of examples, but I will just confine my comments to Victoria, where I know the process better. Looking at three seats, Jagajaga was held by former minister, Peter Staples; Gellibrand was held by a former Treasurer and finance minister, Ralph Willis; and Lalor was held by former minister, Barry Jones. Their successors were Jenny Macklin, Nicola Roxon and Julia Gillard—three remarkable women. They are former cabinet ministers and, in the case of the latter, a Prime Minister.

The thing about ensuring that women reach the top in politics is that you have to ensure that they are able to compete for safe seats. People understand that in the two major parties. You have to have an opportunity that is not being defeated and going in and out of parliament. To succeed, you have to have a chance of building a career. All three women replaced remarkably capable men. They were also remarkably capable women. They went on to have very successful careers, become very important representatives and inspire other women to follow in their footsteps.

That would not have happened without affirmative action. People do not understand affirmative action. These preselections of Julia Gillard, Jenny Macklin and Nixon Roxon were still hard-fought preselections. In the case of Julia Gillard, it happened to be a hard-fought preselection of three women running for that safe Labor seat. One of the reasons why there are only two women in the current federal cabinet is because of the failure by the other major party to do similar things.

I just wanted to put that on the record and extend my deepest condolences to Joan's family, her husband Ron, her three children and her grandchildren.

Ms McGOWAN (Indi) (10:27): Vale Joan Kirner. Her legacy goes well and truly beyond politics. Today, I would like to speak about the personal, community, national and international impact that I know she has had. I would like to begin with a quote: The future is not some place we are going to, but one we are creating. The paths are not to be found, but made, and the activity of making them, changes both the maker and the destination. Joan Kirner looked into the future and thought, 'We could do better.' She set about doing that. I think she made a significant impact on both the destination and the partners she worked with along the way. She made it better for women, she made it particularly better for the farm women, she made the future better for country communities and she made it better by far for this young, rural country woman.

That was me in my 30s, when I was a young staffer with the Victorian agricultural department. I worked for the Victorian Department of Agricultural and Rural Affairs. Minister Kirner was the Minister for Conservation, Forests and Lands. Together with Caroline Hogg, Kay Setches and Evan Walker, and managed by the amazing Frank McClelland, they
headed up what was called the Rural Affairs Committee of Cabinet. Our job as rural affairs advisers was to report to that Rural Affairs Committee of Cabinet. There is a huge legacy right across Victoria, Australia and internationally of that particular model of doing work. Today, I would like to put on record some of the impact of and pay enormous tribute to that small team of people led by Joan. We have heard lots of talk about Landcare. Certainly, I personally was involved with it. I became the inaugural secretary of the Indigo Valley Landcare Group in 1988, which still exists.

Another huge contribution that Joan and that team made was the Victorian Rural Women's Network. Twenty-three years later, it is still active and connected, and communities are still engaged about it. I call on the Victorian government, as a legacy of Joan Kirner, to relook at the model of the Victorian Rural Women's Network. Let us empower it and resource it to continue to do good work. I talk about the Women on Farms gatherings where women are still meeting right across Victoria, coming together, networking, finding their voice and influencing government. I talk about the small town study that re-innovated towns and communities in my electorate, particularly Beechworth.

I talk about the Rural Enterprise Victoria workers, workers who were paid to go and do community work and economic development in rural towns. I talk about the structural adjustment that Joan, Carolyn and Kaye organised to be community centred, and the particular work that they did in the Mallee and Felton House, and how this model of putting resources into communities enabled and helped structural adjustment. I can remember particularly the fax machines that they paid for to go to our community houses. What a difference being able to communicate by fax made. To all my communities in north-east Victoria, we continue to benefit from the work of that Rural Enterprise Victoria program. We got economics, and we could see that it would be a driver for innovation and connectivity.

Today, when I look around my communities, I can see the result of all that work.

I was a rural affairs adviser, and our job was to serve that committee of cabinet. There were 17 of us right across Victoria, and our job was to look at our communities and report to cabinet on what the issues were. I have to say that it is a daunting task. There was nothing easy about working for Joan Kirner. In fact, I would have to say that she made us scared. We had to be our best selves. She was not above handing back a cabinet paper and saying, 'Do it again'. She was not above saying, 'Well, that doesn't work,' or, 'Where's the logic? Where's the data? Where are the statistics?' and, 'We talked about this last time. Where's the follow up?' The thing that she made us do more than anything else was find those invisible people—where were the mothers, where were the young girls, where were the older women and where were the people with disabilities? From my limited experience of community work, it was a shock. We had said, 'They're not there,' and Joan would say, 'Go and find them, because of course they're there'.

I really want to talk both of the things that came out of the oversight that they had and the absolutely strong belief in community. We have heard a lot about landcare, and I am not going to talk too much about it, except to say that in my electorate of Indi landcare is strong and thriving. It is one of those fundamental planks that underpin our really strong communities. What I would particularly like to talk about today is the Rural Women's Network, and I pay particular homage Jenny Mitchell and Anna Lottkowitz and the work that they did in setting up the Rural Women's Network. Through the women's network, we went
on to establish Australian Women in Agriculture. Australian Women in Agriculture went on to run international conferences in Australia, America, South Africa and Madrid, and we are currently working with India. All of this grew out of the commitment of that committee of cabinet to do good work.

The thing about the vision was that Joan absolutely believed in community. She taught us that if you actually see community, and you honour and support it, then anybody can come and work their way through the system—you do not have to start at the top. That is what the Rural Women's Network did. It brought us together in small groups, it taught us how to network in our communities and it taught us how to connect. It did not matter who you were married to or who your parents were, there was a place for anybody in the network. Then we were supported by this fantastic magazine called the Rural Women's Network Magazine. It came out four or five times a year and told our stories so that we could see each other. We absolutely grew in confidence as we knew that this cabinet committee was listening to us and our stories were reported back to us. Then the most amazing thing happened. This cabinet committee took actions on stuff that we thought was important: on telecommunications, on transport, on child care and on education, and they put resources into community-building.

So the Neighbourhood House Network grew and many of us have a career that we worked through the Neighbourhood House Network as we grew in strength and confidence, going on communities, becoming president, becoming secretary, taking delegation to ministers and having our voices heard. The network is still really strong. It is strong in Victoria, but it is also strong in New South Wales, it is strong in Queensland, it is strong in Western Australia, it is strong in South Australia and not so strong—a bit more subtle—in the Northern Territory. So that legacy really lives on.

I would also like to talk about what else has happened as a result of that Rural Women's Network. It gave women courage to stand up to form Australian Women in Agriculture. It gave us women courage to go across and work in Papua New Guinea, Ireland, India and North America, and take the message that women's ways of working in country Australia are strong and powerful. We do not have to be out there and compete with the blokes to do it. Our competitive advantage is our communities, our families and our networks.

I would also like to acknowledge the particular role that the Department of Agriculture played in supporting us women. Tim Reeves was our regional manager. He supported these changes and he gave us young staffers permission to go and do this community work. The Department of Agriculture I think will never be the same. We had these amazing days when Joan Kirner, Carolyn Hogg, Kay Setches and Evan Walker called us together to the Carlton Football Club, that hallowed of hallowed. There were all these ag women talking about what it meant to be a woman in agriculture and talking about what it meant to be a community and connected to our families. It was so different from the blokes' experience of agriculture. We looked at each other and thought, 'Yes, we have got a voice.' We heard our minister saying, 'Yes, not only have you got a voice; you have a responsibility to get out there and be part of designing the future.'

It gives me enormous pleasure today to stand here and say thank you. I acknowledge in this House that I would not be here without Joan Kirner, I would not be here without the Victorian Rural Women's Network and I would not be here without the support and the modelling that she and those women gave us. So, personally, thank you Joan, Kay and Carolyn for showing
me that community is a place where I belong. Community gives me the support to come to this House and be a representative of the community. It is linked to economics, those rural enterprises in Victoria, and it is linked to environment—we have to get the Landcare stuff working and communities embedded in it all.

Let me turn to my political career. The fact that I am here is a legacy of Joan Kirner, but it is more than that. I also want to acknowledge the other Victorians who provided such support for me. I do not think it is coincidental that such great leaders come out of Victoria. Malcolm Fraser and Joan Kirner gave us rural people the support and the courage to be people of conviction based in the community and be good representatives. The proof I think is what we have just heard—the people who stand before us today.

The future will be a better place because people like Joan set about building partnerships. She had such faith that if we work together we can create a future that is inclusive. Thank you. I pass on my sympathies to all concerned and particularly acknowledge the work of those great women and thank them for what they have done.

Ms ROWLAND (Greenway) (10:37): It is with much sadness and immense gratitude that I rise to speak on the passing of a giant of the labour movement—Joan Kirner. I believe for a lot of us that Joan Kirner actually became more important to her party and to parliamentary representation of women generally after she left parliament. She did not just become a commentator; she stayed involved—you would see her at conferences and at party meetings. She was always in touch with people who were in the labour movement, in parliament or seeking to be in public office. She had an immense impact on the structures of the Labor Party and a passion for diversity in our parliaments. I and many other people I know often disagreed with her road map but it was impossible to ignore the fact that she was so authentic and genuine about what she wanted to achieve. She wanted to make all of our parliaments mirror our society.

I took the opportunity to chat with Amanda Fazio, the former President of the New South Wales Legislative Council. She was around during some of the really heady times in 1994 when significant changes were made within the Labor Party structures. They were sponsored very heavily by Paul Keating, which was so important, but Joan was integral to that. It is hard to believe that was 21 years ago and I had been in the party for only four years. Joan championed what then Prime Minister Paul Keating was seeking to do. I found this neatly summarised in a speech that Amanda made on 29 May last year. She made this speech on the occasion of 20 years since the introduction of affirmative action for women in the national rules of the Australian Labor Party, and it was driven by national Labor women's conferences, where Joan was such a figure not only of authority but of nurturing. Amanda said:

> Then Prime Minister Paul Keating stated on 9 September 1994:
>
> Last year, I called on the Labor Party to begin a process of reinvigoration. We needed to make the changes necessary to increase the number of women in State and federal caucuses.
>
> ... ...

At the national conference in Hobart, rule 12c was adopted requiring that women be preselected for 35 per cent of winnable seats at all elections by 2002. I was a delegate to the 1994 conference and was involved in the negotiations leading up to this decision. I must say that I was not wholly supportive of the model adopted because I felt that the 30 per cent of seats left for either gender would be taken up by
men who would continue to promote men just like themselves. I wanted 50 per cent of seats for women. However, I was either too idealistic or hard line, and the more moderate viewpoint prevailed.

Amanda went on to note Paul Keating referring to the affirmative action decision after the 1994 conference:

One, in particular, which I think will be around when all of us are gone was the decision, a very historic one, to increase the representation for women in the parliaments. That is the keynote change of this conference. That will be the one that will change the character of Australian politics; it's the one which will lift the opportunities for women to participate in the parliaments.

Amanda ends this speech by saying:

I thank all the Labor women from across Australia involved in the development and passing of the affirmative action rules in 1994, including Joan Kirner and also then Prime Minister Paul Keating, who strongly supported this historic decision.

It needed individuals at this conference to take risks to make that change reality. It was never inevitable that this change would happen and that we would see the diversity that we have now in the Labor Party at all levels, I believe, of parliaments. However, we can never rest on our laurels; we always need to keep doing better. But this was never inevitable. Joan Kirner took a risk—she was a risk taker. It was highly contentious. I remember we even had to deal with the notion that women who were going to be elected to the parliament or were going to put themselves forward would simply be token women. We had men raising arguments that this would be discrimination against men. So this was a challenge to vested interests, to individuals, to factions and to power bases. I am sure Joan Kirner lost friends in this process. And one should never think it was unanimous. But she had the courage to make it a reality, and I thank her for that and I know Amanda Fazio does as well. As I said, we would often be on opposite sides of internal debates on how we were going to achieve this, but Joan was always authentic, she was always genuine and she really was a model of someone who did what they believed in, irrespective of who she had to offend or who she had to bring with her in the tent—she got it done.

I want to take this opportunity to read what I think is a very touching and very accurate message from someone else who I think needs to be on the public record, and that is in message from Carmel Guerra, the CEO of the Centre for Multicultural Youth in Melbourne. She writes that Joan Kirner:

… inspired and, knowingly or unknowingly, mentored many individual women by passing on her wisdom, knowledge and experience in making a difference.

Joan was a fierce supporter of the work of CMY and a strong advocate for the voices of young people to be heard. In our 20th anniversary publication "many voices one story" Joan spoke of the role the Ethnic Youth Issues Network (early incarnation of CMY) played in giving a voice to those young people whose voices are not often heard, "...the workers did have a background of experience, not just a set of opinions, and at most times you were able to assemble a group of young people who weren't just there as prize exhibits but who had been mentored or assisted to feel confident in what they were saying".

Joan gave graciously of her time to attend CMY events and spoke with young people about their experiences and journey to Australia. She would sit and talk with the young people, many who did not know she had been the Premier of Victoria, and encouraged them to speak their mind, participate in the democratic process and keep CMY honest. Until recently Joan, though frail, was a regular at our events and would make an effort to sit and listen intently to every person who sat next to her and ask inquisitive and insightful questions.
I end by saying that I found an email—I think the only email exchange that Joan Kirner and I had—from May 2013. I was having a bit of an issue with being a new mother and being judged by some people on how I did my job in this place. But she wrote to me, in part, 'Hi Michelle. I hope you and Octavia are recovering. Congratulations for taking the fight up to them. I have just heard,' and I will not mention the name here, 'hopeless attempts to justify his patriarchal conservative response. I hope your electorate continues to elect you as their forthright and effective representative. In admiration, Joan Kirner.'

I replied to Joan, thanking her for her response and sent her a photo of my little girl. This was almost exactly 2 years ago to the day—3 June 2013. Joan Kirner replied, 'She is gorgeous. Thank you and good luck, JK.' Joan Kirner: wherever you are, thank you. You have inspired many but, more importantly, you made a difference. The legacy that you leave will continue to make a positive difference in years to come.

**Ms PARKE (Fremantle) (10:45):** It is a privilege to pay my respects to the life and work of Joan Kirner. She was a trailblazer for women in public life, and a person who showed how politics could be meaningful and honourable, and packed with opportunities to make a difference. I offer my condolences to her family and her many devoted friends.

I am grateful to have heard throughout this debate a number of lovely and heartfelt reflections from people who knew Joan well and who worked with her in Victoria. I thank them for sharing those stories in this place so that they can be part of the national record. Joan Kirner was a figure of national significance for a number of reasons. I would like to take the opportunity to remember Joan specifically in the context of her great contribution to bringing women into politics.

Over the last three decades we have witnessed profound change in the opportunities for women to be involved in public life and to be involved at the highest level of government. As a member in this place I know, and I want all young Australian women to know, that Joan Kirner was a pioneer of that change.

Joan Kirner, like Carmen Lawrence, my predecessor in the seat of Fremantle, was asked by her party to take on the position of premier in very difficult circumstances. Make no mistake, both Joan and Carmen brought their integrity, intelligence and strength of character to the task of reinforcing state Labor governments in trouble. Their conduct and communication skills were critical in limiting the scale of what were, by that stage, inevitable electoral losses. In doing so, first Carmen Lawrence and then Joan Kirner broke through the political glass ceiling in order to prove the possibility and capability of female leadership at the highest level in their states of Western Australia and Victoria respectively. I acknowledge, of course, that it was Rosemary Follett in the ACT in 1989, the year before Carmen became premier, who first held a position of leadership in either state or territory governments.

The evolution of female political leadership in Australia has come a long way since those trailblazing achievements—and the story of that evolution is a distinctively Labor story. Since that time we have at some point seen a women as premier or chief minister of every state and territory government except South Australia, we have seen women as governors and as Governor-General, and of course we have seen Australia's first female Prime Minister.

Kristina Keneally and Lara Giddings, like Carmen and Joan, led their governments to elections, but lost. Anna Bligh and Julia Gillard fought elections from government and won.
Earlier this year Anastacia Palasczcuk won from opposition. All these milestones have built steadily upon one another—not in some direct or structural continuum, of course, but rather in the way that culture has always developed: with first a concept and a principle; and then the pursuit of that concept and the argument from that principle until what was for the longest time theoretically possible but highly improbable, suddenly becomes realistic, then logical, then real.

Joan Kirner did a lot more than open the door and show the way. Joan had experienced gender discrimination; she knew it from her time as a teacher; and she knew it could only be defeated by an intense effort that would require women working together within the structures of power in this country.

Joan herself—as a number of the contributions to this debate have shown—was an active and powerful force of encouragement; she was an enabler of women at all levels and in all ways, from the personal to the practical. I was delighted and humbled to receive a congratulatory and supportive letter from Joan upon my first election to the House of Representatives in 2007.

When we look beyond government leadership alone as a marker of female political participation and we celebrate more widely the number of female parliamentarians—the number of women in the Rudd-Gillard ministries and cabinets; the first, second and, yes, even third woman to have the role of Speaker in this place—we should do so with the acknowledgement that in the last 30 years there have been few people who have done more than Joan Kirner to push and promote, to bolster and boost women to have—or know they should have—an interest in representative politics.

Others have spoken in detail about Joan Kirner's work through EMILY's list, and I do not need to explain again how crucial that kind of funding support is, or what the incredible vote of confidence that goes with that funding support means when you are in the early stages of a campaign, when you are on the brink of making a contribution to Australian policy and public life.

Joan Kirner was named a Companion of the Order of Australia for her eminent service to the parliament of Victoria and to the community through conservation initiatives, contributions to gender equality, development of education and training programs, and the pursuit of civil rights and social inclusion. On receiving this honour Joan said: [Now] young women and their daughters know that they can be premiers, they can be leaders of the state, and they can be leaders of the nation.

Deputy Speaker, I am proud beneficiary of EMILY's list. I am one of hundreds of Labor women who owe a great debt to the work, energy and vision of Joan Kirner, and I know that Australian society as a whole is better for the increased participation of women that Joan Kirner made real.

Mr Watts (Gellibrand) (10:50): Joan Kirner was not just a former Victorian Premier and a former Labor warrior to me; she was a constituent, a branch member and, most importantly, a friend and mentor. Historians have written plenty about Joan's political legacy in recent days—the VCE, Landcare, fighting gender inequality—but I want to speak to her personal legacy to try and leave a small record of the wit and warmth, and commitment and kindness that she shared with so many of us.
Her loss has been felt keenly by many—many people across Melbourne's west, across Victoria and across Australia. I have ceased to be surprised at the extraordinary number and range of people who have told me in recent days that it was Joan who got me into politics, or it was Joan who got me through this, or it was Joan who opened this door for me.

Joan and I certainly did not agree on everything—her ardent support for the Essendon Football Club was embarrassing to the last—but she taught me an enormous amount. The issue she taught me the most about was gender inequality. She had experienced it and she had fought it in the community and in government.

Joan was a ferocious advocate of increasing women's representation in politics—she did not just talk about it; she lived it. She was instrumental in the adoption of affirmative action policies within the Labor Party, and in the establishment of EMILY's list.

Initiatives that have seen record numbers of women in Labor cabinets in recent years, including the government of our first female Prime Minister—Julia Gillard—and Australia's first cabinet with equal gender representation under the Queensland Palaszczuk government.

Joan was not just a critic of male dominance of our politics; she was a builder of female representation. Given this, I had some trepidation when, during my preselection, I went to see her as a bloke running against three women. I did not get her vote. In fact, at a branch member forum during my preselection she sat in the very front row of the hall—in front of 500 branch members—less than 10 yards away from me and directly in my line of sight. Every time I got up to speak, she glared at me and put the fire in me and the pressure on me. Every time I sat down, she was in the line of sight of the three women running against me, cheering them on and giving them the support that they needed. Despite playing this ballot extremely hard, in the first meeting I had with Joan after the ballot and after that she had nothing but endless cups of tea, mentoring and advice for me.

Given Joan's extraordinary support for women in politics, it can be lost somewhat the enormous support and mentoring she is given to men in politics also. For those men who are willing to listen, she was extraordinarily generous with her time and consideration. As Bill Shorten told the Labor caucus this week, Joan had plenty of advice for Labor men in politics too—it was often just a bit tougher than the advice she had for the women in the party.

I greatly value our correspondence and meetings. Her counsel on responding to family violence was particularly important to me. During our conversations on this issue she offered me the benefit of decades of experience in community organising and political strategy. She understood how gender inequality caused violence against women. Once, I complained to her at the end of a day's worth of meeting with advocates and service providers in this area, telling her that meeting with the people doing this extraordinarily important but extraordinarily hard work was psychologically and emotionally exhausting for me. She gave me a stiff kick up the bum and told me: 'You think you've got it tough now. You should've seen what it was like 30 years ago! We couldn't even convince people that this was actually happening then and, even if we could get that far, we couldn't convince people that it was an issue that was worth discussing in public, an issue that was worth being tackled by political leaders.'

She was right, of course—and not only that, but through the benefit of her hard-won experience she taught me that we can make progress on changing societal attitudes to these issues, that we have made progress however insignificant it may feel, however agonisingly
slow it may feel and even if the amount of work required to inch this issue forward over the long term seems all out of proportion to the gains that we realised. She was convinced that over the long term, over the long arc of history, we can all make progress. Immediately after making this point to me, she was straight back onto the politics of the day and asking me what she could do to help me keep inching the issue forward in the politics of the day.

We are increasingly finding that the way that elected representatives conduct themselves after they have left the political stage is a true mark of their character. On this measure, Joan wins the highest marks. She never compromised her integrity, her dignity or her commitment to the Labor cause. She might have retired from elected politics after losing government, but she never retired from the practice of politics. She kept turning up and giving of herself so that the party, the cause and others could succeed. She was a joiner and a doer: Joan did not just speak out, she offered endless practical support with fundraising, mentoring and networking to so many young people in the party. It is part of the reason that Joan's loss has been so keenly felt. She was not just a political legacy; she was an ongoing part of so many people's lives.

Even now it is strange to think that she is gone. She never really retired and, despite her illnesses, every time that I spoke to her she retained a palpable sense of energy. Towards the end of Joan's life, I was proud to have been accused in a national newspaper of having fallen under her spell. I sent her a copy of this article, with a note telling her how pleased I was by this. Given how close to the end this was, though, I never heard back from her. But I hope that she was pleased by it, too.

Ms COLLINS (Franklin) (10:57): Joan Kirner really was a remarkable woman, as we have heard. She was warm, she was funny and she was brave. She had been fighting her illness for quite some time, and now of course she is at rest. As we have all heard, Joan made her contribution in the community as a teacher, as a parent, as a minister, as a Deputy Premier and as Victoria's first female Premier. Her commitments to social justice and to gender equality were remarkable and are on the record, as well as her role in the establishment of Landcare. All of these things are really outstanding. But Joan as Victoria's first female Premier and because of all she has done to support, encourage and promote other women has ensured that she will not be the only one. For me, this is Joan's greatest contribution in our community—particularly the lasting legacy of EMILY's List, which she and others drove after she had formally left politics. Many of the women on this side of politics are part of Joan's legacy. She kept pushing until things changed. She crashed the glass ceiling and she encouraged others to follow her through.

I first had the privilege of meeting Joan during my time as a staff member for a former senator, during the 1997-98 establishment of EMILY's List. Joan was driven. She was determined that we needed a tangible vehicle to drive change to get more women into parliaments and into leadership roles in our communities. I was very honoured in 2006 when I first stood for parliament to have Joan Kirner as my appointed mentor as an EMILY's List member. Joan would call me at the end of every day, during the campaign, to talk to me about the personal and about the politics. She was always a great listener, but importantly she was ready with advice. She was so grounded. She gave great advice about managing and balancing family life and politics. I, like so many progressive women in politics, will be forever grateful for that advice and that support.
I am just one of many women from my home state of Tasmania who were influenced and encouraged by Joan. Others such as our first female Tasmanian Premier, Lara Giddings, who spoke to our papers this week about her relationship with Joan. The former member for Bass in this place and now Tasmanian Deputy Labor leader, Michelle O'Byrne, and former state minister Paula Wriedt, were also supported by Joan. Joan was also well known and loved by our former state ministers Fran Bladel and Judy Jackson. Fran was one of those who helped establish EMILY's list, with Joan and others.

Joan is so very well respected by so many. She has earned this respect, and I know she will be missed. But I also know that Joan and all she has achieved will never be forgotten. My sincere condolences to her husband, her children and her grandchildren. I want to thank them for the sacrifices that I know they would have made to share Joan with so many of us. She is indeed a remarkable woman, who will be very sadly missed. My heart goes out to her family and friends at this very important time.

Ms CLAYDON (Newcastle) (11:00): It is with pleasure that I rise today to make a contribution that both honours and celebrates the life of the Hon. Joan Kirner AC. Joan was much loved, and she will be terribly missed by so many in our community. While perhaps most well known as Victoria's first, and so far only, female premier, Joan was, of course, so much more. For a generation of Labor women, including myself, Joan was a mentor and inspiration. She had a solid grounding in community activism prior to entering politics, and this was a passion and commitment that never waned for Joan, and one that she actively encouraged in everyone that she met along the way.

Just as important, Joan lived her life strengthened with the knowledge that women can indeed do anything. In 2012, when accepting her appointment as a Companion of the Order of Australia, Joan spoke of the pride of being the first female premier of Victoria. She said:

[Now] young women and their daughters know that they can be premiers, they can be leaders of the state, and they can be leaders of the nation.

My mother used to say to me, 'You can do anything as a girl that you want to do', and I believe that. Joan will be remembered for her passionate commitment to social justice, her unswerving belief in educational opportunities, her courage and determination for gender equality and her insistence on profound cultural change for Labor in the form of affirmative action.

Having founded EMILY's List in Australia in 1996, Joan remained a staunch champion of the key principles of equity, child care, equal pay, choice and diversity to the very end. Her ongoing work with EMILY's List has now provided an important financial, political and personal support network for some 400 women in their campaigns for public office, resulting in more than 200 progressive Labor women being elected to Australian parliaments. It is an amazing achievement in less than two decades. I am one of those women and a very proud member of EMILY's List, indebted to all those women who came before me to help pave the way for Labor women to actively participate at all levels of decision making both in the Australian Labor Party and in our local, state and federal parliaments. I want to thank Joan Kirner, along with Carmen Lawrence, Kay Setches, Helen Creed and Julia Gillard, for having the courage to fight for the inclusion of affirmative action policies in the ALP more than two decades ago—a matter to which I will return.

It was Joan's belief in the capacity of women to do well in whatever fields they chose to pursue—her encouragement, her warmth and wisdom, her commitment to ensure that there
were always support structures in place when you needed them—that made your encounters with Joan Kirner unforgettable. I want to share with the House my recollections of Joan's visit to Newcastle in 2004. I was a younger woman thinking about the challenges of local government at the time, attending a large gathering of progressive women from across Newcastle and Joan was the special guest. It was an EMILY's List Australia function hosted by the then federal member for Newcastle Sharon Grierson. The room was packed with women who were really excited to meet Joan. She made every woman in that room feel special, that they were capable of doing whatever they set their sights on. It gave women like me the courage to say, 'Yes, I'm going to put my hand up for that next preselection round'. She had made sure that there were structures in my party, whether you needed them or not, to make sure that women had an equal chance of being preselected to contest seats in Australian parliaments.

That night in Newcastle, Joan inspired so many women of my generation—and indeed, the next generation—to take up membership with EMILY's List and to become active and vocal supporters of the organisation. The transformation of the Labor Party through affirmative action has in fact been immense. The Labor Party is now a place where women can succeed with the support of affirmative action; indeed, there is a very timely report on this matter out at the moment. It is now 20 years since affirmative action rules were put in place and the proportion of elected Labor women in our parliaments prior the rule changes in 1994 was just 14.5 per cent. At the same time, the percentage of Liberal women was just 13.9 per cent, so we were both doing very poorly. Here we are 20 years on, following Labor's affirmative action rules which Joan Kirner was such a champion of, with 43 per cent of women in Labor held seats compared with the Liberal Party's 23.2 per cent of women in parliaments. These figures demonstrate what affirmative action rules can achieve.

Affirmative action is important and it does matter in the fight for gender equality in this place and in other places around the country. We would see no better example than the current Queensland cabinet, under the leadership of the first Australian woman to be elected from opposition as Premier in Queensland, Annastacia Palaszczuk. Her cabinet now has a historic eight women to seven men. That was probably unimaginable 20 years ago, but that is an example of how affirmative action is influencing gender equality in parliaments in Australia. In Joan's home state of Victoria we see a record number of nine women in Daniel Andrews's Labor cabinet; that is to be commended as well. Beyond Premiers, we have Joan to thank for our first Australia woman Prime Minister, of course. Her tireless advocacy, support and mentoring helped the advancement of Julia Gillard to our nation's highest post.

Joan was a mentor to those she met but also a coach for those who she did not always meet firsthand. Through her partnership with Moira Rayner, Joan provided some real-life assistance to aspiring women with the very practical book that she produced as a tool kit: the *Women's Power Handbook*. It sits to this day on the bookshelf in my office in Newcastle. I often reflect on the lessons I learnt through that book and pass it on to other women who are looking for guidance on their own journeys to parliament or, indeed, other fields of endeavour.

Finally, when we learnt of Joan's passing on Monday night this week, it was fitting that many of us were gathered for our regular meeting of the Labor caucus Status of Women Committee. It was wonderful that we could be together on that night as we heard the sad
news, to reflect on Joan's life, what she meant to each of us as individuals and to Labor women across the nation. So many of us have benefited from the amazing contribution of Joan Kirner. She really was the most extraordinary agent of change, and for that we are deeply grateful. My generation of Labor women will remain indebted to Joan's vision and her tenacity and today we say thank you, Joan Kirner.

I send my condolences to Joan's husband, Ron and her three children, Michael, David and Kate and their families at this sad time.

The DEPUTY SPEAKER (Ms Henderson): I would like to take this opportunity to associate myself with the remarks about the honourable Joan Kirner. As a young journalist, I knew Joan Kirner both as education minister and also as the Premier of Victoria. I think Joan Kirner was a trailblazer in many respects. One of the most lasting legacies was Landcare, which lives very strongly and is a great reflection of her commitment to the environment. I too would like to extend my sincere condolences to her family and her friends.

Ms BRODTMANN (Canberra) (11:11): Thank you, Deputy Speaker Henderson, for those lovely warm remarks about the late and great Joan Kirner. I join with my colleagues today in rising to pay tribute to a great Australian woman, a great Australian leader, a great Labor leader, a great Labor woman, Joan Kirner. Victoria's first female Premier, Joan Kirner will be remembered for her trailblazing work in helping bridge the gender gap, as well as social justice. Like so many of my colleagues, I am only here because of the pioneering efforts of Joan Kirner.

Joan was Victoria's 42nd premier for only 26 months, but in many ways it was her work after this time that had the biggest impact. Joan was a founding member of EMILY's List. Joan and her Labor sisters were passionate about increasing women's representation and rights in Australia. Having seen the great work being done by EMILY's List in the United States, they knew an organisation dedicated to supporting progressive Labor-aligned women in and around politics would be warmly welcomed in Australia. The achievements of our members since have been immense. I am a proud member of EMILY's List.

So far, EMILY's List Australia has supported 155 progressive candidates in their election to state, territory and federal parliaments across Australia, and they also do great work in mentoring and helping out those in local elections as well. These include Australia's first female Prime Minister, the first female premiers in Queensland and Tasmania, the former ACT Chief Minister and now Senator for the ACT, Katy Gallagher, the Northern Territory opposition leader and the New South Wales deputy opposition leader.

I am incredibly proud to be one of those 155. The support provided to me in my first campaign from EMILY's List was just extraordinary. Not only was there financial support but I was given a number of mentors who were very strong, powerful, committed, very socially progressive women in Canberra who used to regularly, during the campaign, take me out for coffee and see how I was travelling physically and emotionally. They were also there to give me advice on who I should be speaking to, who I should be networking with.

They opened up so many doors to me in terms of people I needed to consult with to get their views on a range of issues around the Canberra community, particularly in the disability sector. They introduced me to these extraordinary incredibly strong women, disability activists who were not only doing exceptional work in advocating for women with disability
here in Canberra and in Australia but were also playing of very large role on the international stage as well.

I would like to take this opportunity to thank my great EMILY’s List sisters, who particularly helped me out in that first campaign in opening doors for me, in providing me lots of coffee and lots of emotional support when I needed it, for giving me advice, for looking after me. In a way it was a network of not just sisters but mothers as well. I really do appreciate their efforts and that would not have been possible without EMILY’s List, and EMILY’s List would not have been possible without the extra extraordinary Joan Kirner.

As we know, the 'EMILY' in 'EMILY’s List' is an acronym. It stands for 'early money is like yeast'. But the support provided by EMILY’s List is about so much more than money. It is about training and mentoring, providing support networks and giving women candidates the confidence to know that they deserve to be elected. It is always a challenge for women to believe that, Madam Deputy Speaker Henderson. I am sure you experienced that. I know my colleagues on this side and colleagues on the other side of the chamber have also experienced this. Women candidates need to have that self belief that they are entitled to put their hand up to run for parliament and to aspire to the great honour of representing their communities. EMILY’s List also pushes our party to do better when it comes to gender equality by advocating for a target of 50 per cent representation of women.

Through EMILY’s List I have benefited from the foresight of Joan Kirner and her sisters. Now, like they did, I give back. I mentored EMILY’s List candidates in the last ACT and Queensland elections. I participate in training sessions. We had one just recently here in Canberra. One of the members of the audience here today was at that training session. It was a half-day. It was a pretty bitter, cold day, but we had a great turnout of women who are just thinking about throwing their hats in the ring for the ACT election and are still working out whether they can juggle their careers at this point in time with the requirements of being a political leader. They wanted to come along and hear about the process of being preselected, what you need to do when campaigning, how you get a campaign team around you, how you establish your views on particular issues—your platform, what you stand for and believe in—and clarify that in your own mind and then also, through that clarifying exercise, articulate that to potential preselectors and then to the broader Canberra community. It was a really wonderful afternoon, and it just highlighted the thirst for these sessions amongst women around Canberra—Labor Party members, of course, but also in the broader Canberra community—who have aspirations for a political career and just want to find out a bit more detail about it. As I said, training sessions such as that one give potential women candidates and campaign managers lots of food for thought, and there is a lot of shared knowledge from those who have been through the process themselves.

The EMILY’s List members here in Canberra and I agree with the mantra of Joan Kirner and the other founding sisters that, when women support women, women win. That is a very important message to communicate. As Joan herself said:

No woman in politics can survive and be successful without a network of women … I would not have survived two years as premier of Victoria without the support of women colleagues and women friends.

But Joan Kirner’s influence on women goes beyond EMILY’s List, because Joan showed all women from all sides of the political spectrum that a political career is accessible to women and it is accessible to women from all backgrounds. Joan's path to the premiership in Victoria
has been described as ‘previously untrodden’. She was not a political staffer. She was not a
lawyer. She was not a union official. She did not go to the right schools. She was not part of
the right clubs. She was not a Rhodes scholar. Joan was a teacher, a mother and a passionate
community advocate and activist. She was someone who refused to accept a second-class
education for her children and so she did something about it.

I was speaking to my mum just before I came in here to make this speech, because I know
that my mother was a great admirer of Joan Kirner’s. My mother is a very proud Victorian,
and Joan Kirner was a very proud Victorian and a very proud Victorian woman. My mother
was a great admirer of hers. I asked her, 'Mum, what is it that you loved about Joan, apart
from what she did for women?’ She said, 'The thing I loved about Joan was the fact that she
showed that you could track a path from the P&C and the canteen duties to being leader of the
state.' That sends a really powerful message to all Australians but particularly to women that
you can be engaged in those activities, that community activism, at the school level, at the
canteen-duty level, at the P&C level and then use that experience to track a course to being
the leader of the state.

In many ways, Joan broke the political mould and she paved the way for others to follow in
her footsteps. As I said, she showed that you did not need to be from a particular political
class, a particular background, the right school or the right education to actually aspire to be
in politics. She showed that women from all backgrounds and from all experiences can
actually aspire to be a political leader, aspire to represent their people and play an active role
in public policy and in shaping public policy.

Today, we have a more diverse political system at every level thanks to Joan. I look to
some of us here today, like the member for Lalor, like the member for Indi and a number of
other people in this place, who—like me—are the children of single mothers and were the
first in their families to go to university. I think Joan would be proud of that. I will be
eternally grateful for Joan's pioneering spirit, tireless support for women and advocacy for
women. I will endeavour to support progressive women candidates throughout my life, as she
did.

I offer my condolences to her family; her husband Ron; her children Michael, David and
Kate; Michael's partner Madeline; her grandchildren Ned, Sam, Xanthe and Joachim; and
everyone who loved her and the many Victorians loved her. I want to thank Joan Kirner for
everything that she has done for women and Labor women over many decades. She will be
missed. Vale Joan Kirner.

Mr MARLES (Corio) (11:21): Joan Kirner's life has been one which, from the
perspective of my family, is a life that has been intertwined and lived in parallel to the
interests and the lives of my family. Joan Kirner began her professional career as a person
who was profoundly dedicated to education. She taught at Ballarat Girls' Technical College
and essentially came onto the public stage as the president of the Victorian Federation of State
Schools Parents' Clubs in the early 1970s. She went on to be an education minister in the
Victorian government under John Cain.

My father was a school principal. Education has kind of been the family business in my
family, other than me. I have been a disappointment to my family in that respect. I have three
older sisters, all of whom have been educators at one point or another. My mother was an
academic. Discussions around the household about the activism and the reform that Joan
Kirner brought to bear in respect of education were discussions that were always very present in the dining room of my house. Joan Kirner was always someone who was respected and revered in that respect. She was someone who my father knew and had enormous regard for.

Joan Kirner entered the Victorian parliament and very quickly became a minister in the Cain government. She became the Minister for Conservation, Forests and Land. In that portfolio, she put in place Landcare, which the Prime Minister yesterday, or the day before, rightly described as one of the significant policy legacies of Joan Kirner. It demonstrated that Joan Kirner had a very wide policy interest and she was able to turn a very active mind to a whole range of areas and make a huge difference in the process. We all know that she served as Deputy Premier and, ultimately, in 1990 became Victoria's first female Premier and served in that role in difficult circumstances through until the 1992 election.

In her life after parliament, which was when I got to know Joan, she was an enormous advocate for women entering politics and entering parliament through her role in EMILY's List. In Geelong, there have been a number of women representatives of the Labor Party in parliament, all of whom have been the beneficiaries of EMILY's List and all of whom have drawn enormous inspiration from Joan Kirner.

Elaine Carbines, who was the member for Geelong Province; Lisa Neville, who is the current minister for the environment in Victoria and the member for Ballarine; Chris Couzens, who was the member for Geelong; Gayle Tierney, who is the member for Western Victoria in the legislative council; and even, as you would know, Madam Acting Deputy Speaker Henderson, Libby Coker, who has just been preselected by the Labor Party to contest the electorate of Corangamite—all have been the beneficiaries of Joan Kirner's inspiration.

Joan went to Geelong on many occasions and, as I speak to those people who are very much colleagues of mine, they see Joan as a huge mentor for them, as a huge inspiration for what they want to be. I think she gave them a sense of comfort that a more difficult road to hoe, as a woman in politics, can nevertheless be done, and be done with family, by virtue of the wonderful example of Joan Kirner. She was always there for all of those women, at the other end of the phone to answer a question, to give support, to deal with a difficult moment. She was tireless in that really personal dedication to them. In making this speech today, I really do it on behalf of that group of women as well.

But in making this speech I really want to talk about my mother. My mother was a lifelong friend of Joan Kirner. Mum was the first commissioner for equal opportunity in the state of Victoria. She was appointed, actually, by Dick Hamer under the Hamer government but served in this capacity through half of the Cain government and got to know many of the ministers of the Cain government well. But in fact prior to that Mum was of a generation of feminists in Melbourne and Victoria which was the same generation as Joan Kirner and the likes of Mary Owen. Through that, she struck up her lifelong friendship with Joan. I think for Mum it was an enormous source of joy to see a friend become the first female Premier of our state and to watch the incredible career of Joan Kirner unfold.

For me, with three older sisters and my mother playing that role, I saw the world as being in fact dominated by great matriarchs. I can remember going to the Mary Owen Dinner, which was a dinner for that generation of Melbourne feminists, often held in the eastern suburbs of Melbourne. It was a women's only event, except for the waiters, who could be the sons of the women who were putting on those events and often I was one of those waiters.
That was the world of my youth. I grew up in that world and Joan Kirner was very much a part of that. Again, I am speaking here today on behalf of my mother in giving our condolences and our respects to Joan Kirner.

For my part, I got to know Joan Kirner after she became the Premier of Victoria. I knew her as a person who was always humble, who always had her feet on the ground, who never was overcome by the trappings of office, who always saw that her involvement in politics was about the change that she could make, not about what politics could do for her. She was passionate about the issues that she pursued, as I have described, but that passion for football was also one that I shared. She was a passionate supporter of the Essendon Football Club. I did not support that part of it, but she was very much imbued with the sort of passion that we have in Victoria.

She was always a class act in the generosity, in the friendship, in the support that she provided to all of us—men and women alike and I think across all persuasions of politics. She was just a wonderful person to be around, she made friends easily and she really wanted her community to be a better place. There is absolutely no doubt that her community—Melbourne, Victoria, Australia—is so much the better for the contribution that Joan Kirner made.

I would like to express, on behalf of my entire family—my father Don, my mother Fay, my sisters Vic, Jen and Liz—our deepest condolences to Joan's family: her husband Ron and her children Michael, Kate and David. You had in your midst an absolutely remarkable person. Vale, Joan Kirner.

The DEPUTY SPEAKER (Mrs Prentice): It being approximately 11:30, the time for statements has expired.

BILLS

Appropriation Bill (No. 1) 2015-2016

Consideration in Detail

The DEPUTY SPEAKER (Mrs Prentice) (11:34): In accordance with standing order 149, the Federation Chamber will first consider the schedule of the bill.

Mr Turnbull (Wentworth—Minister for Communications) (11:30): I move:

That the proposed expenditure for the services in Schedule 1 be considered in the following order

The schedule read as follows—

Proposed order of consideration of portfolios:

Communications
Attorney-General's
Attorney-General's—Arts
Attorney-General's—Justice
Finance
Foreign Affairs and Trade—Foreign Affairs
Foreign Affairs and Trade—Trade
Employment
Social Services

FEDERATION CHAMBER
I take the opportunity to indicate to the Federation Chamber that the proposed order for the consideration of portfolio estimates has been discussed with the opposition and there has been no objection to what is proposed.

**The DEPUTY SPEAKER:** Is it the wish of the House to consider the items of proposed expenditure in the order suggested by the minister?

**Mr CLARE** (Blaxland) (11:31): No, it is not. I have not received a copy of that document. I think that, in order to have an open discussion and to enable the opposition to ask the questions it wishes to ask about the minister's portfolio, he should be happy to receive questions on any topics within his portfolio responsibilities.

**Mr TURNBULL** (Wentworth—Minister for Communications) (11:31): I think the honourable member has missed the point. It is the order of portfolios we are talking about. You are free to ask your questions now.

**The DEPUTY SPEAKER:** I take it there is no formal objection then?

**Mr CLARE:** No, there is no objection.

**The DEPUTY SPEAKER:** It is therefore so ordered.

**Communications Portfolio**

Proposed expenditure, $1,754,082,000

**Mr TURNBULL** (Wentworth—Minister for Communications) (11:32): The funding announced in the 2015-16 budget for the Communications portfolio will continue to support the appropriation of an innovative and competitive communications sector in Australia while making it simpler and easier to access digital public services. Through the 2015-16 appropriation bills, the government will provide the portfolio with over $9.1 billion to deliver its priorities. That includes an equity injection to the NBN Co of up to $7.8 billion, including half a billion dollars from prior year appropriations; $288.6 million for the department to deliver its own outcomes; $1.1 billion through the department to the Australian Broadcasting Corporation; $283.3 million through the department to the Special Broadcasting Service.
Corporation; $94.3 million to the Australian Communications and Media Authority; and $30.9 million to the Digital Transformation Office.

I will just say a little about the Digital Transformation Office because honourable members may not be as aware of it as of some other initiatives. The Digital Transformation Office, or DTO, will be established as an executive agency from 1 July. It will transform the way public services are designed and delivered, making them simpler and easier to use. All new and redesigned services will be digital by default. This means that everyone will be able to access public services digitally, from start to finish, on their mobile device or PC. That is the goal. As part of the 2015-16 budget, the government has announced an investment of $254.7 million in the digital transformation agenda to drive innovation and make it easier for individuals and businesses to access government services. This amount includes $95.4 million over four years for the establishment of the DTO, with the $106.8 million of the remaining $159.3 million in funding over four years to be provided across agencies for streamlining grants administration by adopting standard business processes, a common ICT platform, improved reporting arrangements and a single portal to search and apply for grant opportunities. The Commonwealth currently has a large number of grants administration systems. We do not need that. We can streamline that and make it easier for citizens and easier and more efficient for government.

Another priority is a trusted digital identity framework, for which $33.3 million has been allocated, which will provide individuals and businesses with easier ways to access government services and potentially to access other services. The Tell Us Once program, which is an initiative that has $11.55 million allocated to it, is designed to enable users to update their contact information with government once and to have this information transmitted to relevant linked agencies.

A digital mailbox solution—$7.1 million—is designed to enable individuals and businesses to receive and transact with digital messages and documents from government in a seamless and secure environment. This funding is being fully offset by contributions being made across portfolios with the communications portfolio contributing $7.5 million, $5.2 million from the department itself and $2.3 million from ACMA.

I am sure other matters will be raised in the course of this consideration in detail, but the Digital Transformation Office us a very important initiative. I hope it is not a controversial one. Plainly, all of us here should want citizens to be able to engage with the government as easily as they can engage with their bank, an online commercial site, eBay and so forth. It is a very important priority. The key underlining philosophy about this is to focus remorselessly, totally on the customer. This is not about cutting costs. I believe there will be a lot of savings over time. The focus is on delivering the customer the experience that is valuable to them and to do so in means that are digital and hence contemporary.

Mr CLARE (Blaxland) (11:37): The government have broken a lot of promises. They have broken their promise that there would be no cuts to health. They have broken their promise that there would be no cuts to education. They have broken their promise that there would be no changes to the pension. As the minister knows, because he did it, they have also broken their promise of no cuts to the ABC and no cuts to SBS. But it is not the only area where this government have broken promises: the government have also broken promises on the NBN.
The biggest one was a promise made in a press release by the minister on 9 April 2013 where he and the now Prime Minister said:

Under the Coalition's NBN all premises will have access to download speeds 25mbps to 100mbps by the end of 2016.

On election night, the Prime Minister went further in a letter to Australians where he said:

I want our NBN rolled out within three years and Malcolm Turnbull is the right person to make this happen.

The budget papers show that the minister is failing to deliver on this and that less than 25 per cent of this original promise will be met. The government promised before the election that everyone would have access to 25 megabits per second by the end of 2016, all 11.3 million homes. The budget overview says that only 3.1 million homes and businesses are anticipated to have the NBN in place or under construction by September 2016.

But that is not the only promise that the minister has broken. I am sure that he will recall in his policy FAQs that were put on his website on 9 August 2013 that state:

It is forecast that the large scale rollout of any changes to the network design—such as implementing fibre to the node—would commence in mid 2014.

That did not happen. It did not happen mid-2014. It is now mid-2015, and the large scale rollout of fibre to the node still has not started. So the government is at least a year behind.

The minister in opposition was also very critical of the cost of the NBN. In 2013 the now minister promised, in his election policy document at page 15, that the NBN, under this government, would cost $29.5 billion, but he has failed to deliver on this promise as well. In a radio interview with Tom Elliott on 14 August last year, the minister said that the total cost of the government's NBN would now be 'about $42 billion', and that does not include the cost of upgrading the network down the track. What do you get for this? You get a second-rate NBN, a network that includes fibre to the node, which Simon Hackett—who the minister appointed to the NBN board—said recently 'sucks'. And he continued:

If I could wave a wand, it's the bit I'd erase.

In short, under this minister, the NBN is rolling out slower than he promised, and it is more expensive than he promised.

In his election policy, he also stated at page 2:

Suburbs, regions, towns and business districts with the poorest services and greatest need for upgrades will receive first priority.

The minister is breaking this promise as well. If you go onto the government's myBroadband website, you can get a list of places right across Australia that have terrible access to the internet. Here are just a couple: Macquarie Fields, Broken Hill, Orchard Hills, Cronulla, Gladstone, Russell Island, Tingalpa, Snowtown, Paradise, St Peters, Bothwell, Southport, St Marys, Little Swanport, Point Cook, Laverton, Maryborough, Ascot, Munster, Scarborough and Dundee.

Minister, if you go to your website, there are parts of these places that are ranked E for broadband availability and E for broadband quality. That is the lowest rating available on your website. These are the places that you said would receive first priority, but the problem is that they have not. They are not on the NBN rollout plan. They are not being prioritised. My question to you, Minister, is this: given that you have failed to deliver on so many of your
promises on the NBN, will you make a commitment today to put parts of these places that are
rated E and E for availability and quality on the 18-month rollout plan when it is updated at
the end of this month?

Mr TURNBULL (Wentworth—Minister for Communications) (11:42): Just dealing with
the shadow minister’s first point: the Labor Party when in government talked endlessly about
broadband and, after six years in government, had passed about two per cent of the
population. It was an extraordinary failure in delivery: all talk, no action. It was in fact fibre to
the press release. The rollout was designed entirely for political purposes. I see the honourable
member for Chifley here, and I can give a very good example from his electorate.

So unconcerned were the Labor Party about people’s broadband needs, so unconcerned
were they about where broadband was good, bad or indifferent, that they did not do a survey
of broadband availability—from which the honourable member just quoted. We were the first
government in Australia to do that. It was never done before. Everyone talks about
broadband. Nobody prior to the election of the Abbott government had ever done the work.
We did that, and we were able to identify where broadband was good—and in many parts of
Australia it is good. It is very good, in fact. In other parts, it is absolutely shocking. So we
were able to identify them. And we said we would, so far as is practical, ask the NBN Co to
prioritise those areas that are worst served, and that is exactly what they are doing.

If you look at the premises in the 18-month rollout, the percentage of underserved premises
in the precincts where the NBN is being deployed is significantly higher than it is in the
overall population. Of course, in a fantasy world, in an ideal, imaginary world, it would be
lovely to just be able to go and fix this house here and that house there, but plainly
—the honourable member knows this—it is a project that has to proceed in a contiguous way. Given
that the worst served areas tend to be those areas which are furthest from the exchange—so
the signal on an ADSL service attenuates to a greater degree and, hence, the service is
poorer—obviously, you have to do that whole exchange area, and that will include premises
that have pretty good ADSL and premises that have not. But, as far as is practicable, the NBN
is doing precisely that.

Let me come back to what Labor did, because this is the great contrast. It is sad and
comical in a very black sort of way. Not long after the election, Ziggy Switkowski, then the
new chairman of NBN Co, and I went out to inspect some work of the NBN in, in fact, the
electorate of the honourable member for Chifley. We got out there, and the NBN workers
were there and they were doing what they do. They were stringing cable, connecting houses
and doing a very good job. We noticed that in that particular part of that suburb there was
Telstra HFC, so anyone in that street could order a 100-meg broadband product from Telstra.
So that was it. But that is not all; there is more. Along the electricity poles, there was also the
Optus HFC. So people in those streets could order two competing 100-meg products, and
those streets had been prioritised by the Labor Party.

The Optus and Telstra fixed line HFC services—before the construction of the NBN—
generally speaking, offered the best fixed line broadband in Australia. There are some areas
where they overlap and compete and many areas, of course, where they do not. You could not
find a part of Australia with a better range of broadband than these streets. That is where the
money was being spent; that was the priority. It is blindingly obvious that the reason that it
was happening there was that it was in the honourable member's marginal seat. It was all politics. Fibre to the press release was all that Labor was about.

**Mrs GRIGGS** (Solomon) (11:47): Minister, over the past few months, I have been working closely with NBN representatives, namely Peter Gurney and Hayley Connelly, in my electorate, in terms of the implementation of the NBN in Solomon. We have run a number of info sessions and forums, and they have been very well received. As you know, Minister, I have a very young demographic in Solomon, and the feedback from my electorate has largely been positive around the NBN rollout. We know that the NBN is amazing for business opportunities; however, I am getting a lot of feedback from my electorate in terms of its entertainment potential, and I guess this is around the young people. The other query that I am getting from the young people is: 'When are we going to get NBN? Because we're really, really excited.' So the question for you is: would you be able to provide an update on the rollout of the NBN in Solomon, particularly in Darwin and Palmerston, with expected completion dates, so that we can give that information back to the very excited people in my electorate?

**Mr TURNBULL** (Wentworth—Minister for Communications) (11:48): I thank the honourable member for her questions and observations. She is absolutely right that the internet is becoming a very important entertainment platform. I think a good way to look at the internet—of course, enabled by the NBN but not exclusively by the NBN—is that it is, in many respects, an uber-platform, a sort of a super platform, which is trumping every other one. I think that we will see a continuing move of so many other services. Whether it is services that were traditionally broadcast over the air, like television and radio, or services like newspapers, of course, which are printed on paper, everything is moving onto the Internet. With the arrival of Netflix—and, again, Netflix is not the first videostreaming entertainment business in Australia by any means—we have seen the impact of this form of video distribution. In the United States, Netflix alone—one company—consumes one-third of prime time internet bandwidth.

Turning to the electorate of Solomon, the people of Darwin in the honourable member's electorate are really seeing the benefit of having a strong Liberal MP fighting for her electorate and working to solve the problems we inherited from Labor. I do not need to tell the honourable member this, but others may be interested to know that the NBN rollout in Darwin at the time of the election was a complete mess. We had inherited huge problems with service class 0 premises—that is, premises that the NBN had said were passed because the fibre went down the street but that could not actually get a service for a variety of reasons, not least because there was no lead-in. The NBN could not give an estimate as to how long it would take to get a service. There were precincts or FSAMs declared ready for service by the NBN Co under the Labor government where 90 per cent or more of the premises were service class 0. That, as we explained in the press release yesterday, has all changed. Now at least 40 per cent have to be service class 2—that is to say, there is a lead-in—and at least another 40 per cent are service class 1—that is to say, they can be connected within a month; for service class 2 it is generally about two weeks.

The rollout in the Northern Territory had ground to a halt, essentially. It was in a state of collapse, as it was in South Australia and Western Australia. But, through the honourable member's help and advocacy and her passion for her community, we have turned things.
around. At the time of the last election, Labor was claiming to have 2,672 premises passed with fibre in her electorate of Solomon, but, extraordinarily, only 118 of these were actually serviceable. Today we have 18,581 premises serviceable, and 7,208 of them have actually ordered a service and are paying for one. We are not stopping there. There are another 23,000 premises in Solomon where building of the network is underway, and it is fair to say that Solomon has one of the more extensive rollouts of any electorate. The honourable member's passion and advocacy is something that the government and the NBN Co especially welcome because, frankly, we need the revenue. I say to all honourable members: encourage your constituents to sign up to the NBN, because it is a very expensive project, and the more revenue we can get the better.

Mr Husic: Is that the motivation?

Mr Turnbull: This is a good interjection; I will not miss that. The member for Chifley says, 'Is that the motivation?' Yes, it is, honourable member. It is one of the motivations. It is a pretty big one. I know it is a revelation to the Labor Party but, if you build a project like this, you have to generate some revenue to pay for it. But, of course, in the la-la land of Labor, it does not matter; you just get the old government chequebook out. It does not matter. But your distinguished former Prime Minister Kevin Rudd on several occasions said that the NBN was going to be such a fantastic commercial investment that mums and dads would be lining up wanting to invest in it. They would have to be beaten off with a stick, it would be such a hot deal. Really! Anyway, we are dealing with it, we are getting it built, and all I can say is that the more people use it the better.

Mr Husic (Chifley) (11:53): Given the minister now classes 10 per cent seats as marginal, it is an interesting reflection of how much trouble they think they are in given the splendour of Prime Minister Abbott's great work in leading your government.

I rise to speak on behalf of residents I represent in this place to voice their and my concern about the way in which SBS managed the production and promotion of its program *Struggle Street*. Last week in the House I raised my concern that the production company responsible for *Struggle Street*, KEO Films, failed to obtain the informed consent of the program participants. These were experienced filmmakers and TV broadcasters dealing with inexperienced and vulnerable participants who were not provided with copies of the release forms once they were signed. Participants were not offered independent legal advice before consenting to be filmed. Is he concerned about the ethical breaches I outlined in the House last week? Has he raised these breaches with SBS? Does he intend to follow this matter up and can he report back on the outcome of these inquiries?

I also ask the minister if he supports the public broadcaster in threatening legal action directed entirely at the mayor of Blacktown City Council—action that, again, concentrates on the individual and not on the council itself—because the mayor dared to raise serious concerns about the way the program was produced and promoted. Does the minister believe it is appropriate for public broadcasters to attempt to strong arm public officials in this way? And would the minister personally accept similar legal action targeting him, given his recent criticisms of the conduct of experienced journalists with another public broadcaster, the ABC? On this point I ask: why does he feel it is more important to object to the way that Emma Alberici and Leigh Sales hold public officials to account on their respective programs but then claim he cannot influence the decisions of the SBS board when they blatantly
demean and ridicule my constituents, some of them in personally vulnerable circumstances, in the way they did via their promotions for *Struggle Street*?

It is nearly two years since the House of Representatives Standing Committee on Infrastructure and Communications brought down its report on IT pricing regimes imposed on businesses and consumers. Does the minister intend to respond to this report by the time Apple brings in iPhone 7?

Finally, and on another matter, the minister is well aware of the significant interest that exists, particularly among sports fans, for free-to-air TV being broadcast in high definition quality. Earlier this year, I raised this matter in the House. I understand the minister has undertaken a public consultation process on this matter. Can he inform the House on the status of these consultations? Can sports fans expect to watch the NRL and AFL grand finals in the splendour of HD quality this year?

Mr Turnbull (Wentworth—Minister for Communications) (11:56): I just want to remind the honourable member of a provision in the SBS Act at 11(3):

The Minister must not give a direction in relation to the content or scheduling of programs to be broadcast.

The act makes it very clear that it is the SBS board, not the parliament or the minister, that is responsible for programming and editorial decisions. It is the duty of the SBS board:

… to ensure, by means of the SBS's programming policies, that the gathering and presentation by the SBS of news and information is accurate and is balanced over time and across the schedule of programs broadcast; and

… to be aware of, and responsive to, community needs and opinions on matters relevant to the Charter

That is the context in which we are operating. The honourable member is entitled to ask me, if he wishes, to intervene with the editorial decisions or programming decisions of the SBS, but he knows very well that this is just a rhetorical point. I have no power to do so, nor should I have any power to do so. The same applies to the ABC. As I have said many times, the media policies of Vladimir Putin are no more admirable than his foreign policy. We do not want to be living in a country where the government of the day can direct the public broadcasters as to what to say.

Having said that, the boards are responsible to manage their services—and I am talking about both public broadcasters now. They do have an obligation to make sure that their news and current affairs are accurate and impartial. They do have an obligation to comply with their charter and the various broadcasting codes. I understand and I empathise with what the honourable member has said about the resentment in his community about the *Struggle Street*. It was a very hard-hitting program. I would say its critical review was very positive overall, but if any people portrayed in the documentary, or their representatives, believe that there has been breaches of standards or codes or SBS's charter, then they should complain to the SBS. And if they are not happy with that, of course go to ACMA.

As the minister, as honourable members would imagine, I get hundreds of emails urging me to do something, often quite contradictory things, to the ABC or SBS. Sometimes I get an email saying they have been too far to the left, followed by one saying they have been too far
to the right. I get the full gamut and the answer is always the same. I would say, though, that the boards have to take their responsibilities very seriously.

In terms of spectrum and the use of spectrum by broadcasters: we have a spectrum review underway, as you know, and the consultation papers have been released. The reform directions are clear. We are consulting with the industry and the community, obviously. But the rationale for having restrictions on the way in which high-definition or standard-definition channels can be broadcast is really no longer there. As a matter of principle, broadcasters should be able to determine whether they broadcast in standard definition or high definition. The requirement to broadcast the primary channel in standard definition was obviously made at a time when the majority of Australians in fact only had standard definition sets—that is obviously no longer the case.

I trust that will give the honourable member some comfort, but the government generally wants to rationalise and provide greater clarity and freedom for the use of spectrum—obviously, consistent with protecting the public interest—and have regulations that are less prescriptive and less restrictive of innovative uses of spectrum.

Mr COLEMAN (Banks) (12:01): I am really pleased to have the opportunity to ask the minister a question and I also want to focus on the NBN. There are two parts to the question. Firstly, I would invite the minister to reflect generally on the contrast between the management of the NBN by the previous government and by this government. It would seem to me that those opposite are responsible for one of the most grotesque examples of mismanagement, literally, in Australian government history through their failure to manage the NBN successfully. There was an extraordinary cost blow-out—the project was going to cost $4.7 billion, then it was going to cost some percentage of $43 billion and then, as was determined just after the election, it was in fact going to cost more than $70 billion. There is also the fact that the previous government spent some $6 billion on a project to service about two per cent of the population and there are a whole host of other issues. I would invite the minister to reflect on that contrast.

Secondly, I specifically want to ask the minister a question as it pertains to my electorate and the issue of the NBN. I understand that one of the improvements in the government's NBN approach as compared to Labor's is the plan to use existing HFC cable to provide high-speed internet service. Can you please describe how the HFC rollout will be integrated into the broader NBN plan, and how that will benefit my electorate of Banks?

Mr TURNBULL (Wentworth—Minister for Communications) (12:01): I thank the honourable member for raising both these points. He is a very passionate advocate and also a very knowledgeable advocate for his own electorate of Banks, given his years of experience in the television and communications sector.

Let me make this observation: about a third of Australian households are passed by the HFC networks of either Telstra or Optus, or both. These networks are currently capable of—and are in many areas—delivering a 100-megabit-per-second broadband service, using a technology known as DOCSIS 3.0. Until the arrival of the NBN, that was by and large the best fixed-line product you could get in Australia.

Under Labor—as I mentioned earlier in my remarks about the member for Chifley's electorate—the plan was to pay Telstra and Optus billions of dollars to switch these HFC
networks off to broadband and overbuild them with fibre to the premises. That, obviously, has a gigantic cost both in dollars and in time.

Remarkably, while the Labor Party, in their negotiations with Telstra and Optus, paid those companies to switch these networks off and decommission them, render them valueless, they did not reserve the right to use any part of them and this is true for the copper network as well—a most extraordinary uncommercial decision, and one can only assume done in order to make it hard for a successor government to take a different approach. Anyway, we have successfully negotiated since the election with both Telstra and Optus to acquire ownership to those networks for no additional payment to them but with massive savings, tens of billions of savings, to NBN Coalition. and to the taxpayer.

What that means is that we will be able to do, for example, in the electorate of Banks where 77 per cent of premises are already passed by HFC, is, over the course of next year, integrate that HFC network into the NBN network. By 2017, the company is estimating it will, with the introduction of a newer technology, DOCSIS 3.1, be able to offer a one-gigabit-per-second broadband service on HFC. That is equivalent to the top service available on fibre-to-the-premises.

*An honourable member interjecting—*

**Mr TURNBULL:** The honourable member says it is amazing; it is. The development underlines the value of the coalition’s very business-like commercial approach. We do not treat technology as ideology. Our focus is on the customer, purely on the customer, on the citizen. How do we get that citizen the best, fastest internet service as quickly as possible and as cheaply as possible and hence as affordably as possible? So whatever works. The reality is that HFC, which of course is ubiquitous in many parts of the northern hemisphere in particular, is able to offer, with these essentially more efficient uses of spectrum, extraordinarily good services that are thoroughly competitive with fibre-to-the-premises.

The use of existing network infrastructure like HFC will, according to the strategic review, reduce the cost of building the NBN versus the counterfactual of Labor’s all fibre-to-the-premises proposal by a staggering $29 billion and save many years. As the experience of building this network has gone on, it is becoming more apparent that while the savings in billions of dollars are incredibly material, the savings in time are equally so. There are great benefits from ubiquitous connectivity but postponing them for years if not for a decade to achieve a perfect solution by Labor is extraordinarily counterproductive and neglectful of the national interest.

**Ms MacTIERNAN (Perth) (12:08):** I want to ask the minister a question about a very different copper network. In the areas that I am concerned about, the rollout in the suburbs surrounding the Bassendean exchange and the rollout in the suburbs of Armadale and Kelmscott, we certainly do not have the bright, shiny, high-velocity copper that the minister loves talking about. In fact, we have got a highly degraded rubbish copper that has difficulty even providing voice calls when it rains very often. It certainly has got very little extra capacity, even to deliver a modest ADSL service. My question is a very specific one, and I am going to wait because there is not much point in me asking the minister a question if the minister does not hear that question.

**Mr Turnbull:** The minister is all ears.
Ms MacTIERNAN: Excellent. Hopefully we can actually get a realistic answer to this.

I am very pleased to see that Bassendean is back on the rollout, and also that Armadale and Kelmscott are suburbs that are going to be included in the rollout over the next two years. But in both of these areas the minister has indicated, or NBN Co has indicated, that they will not be using fibre to the premises; it will be the multitechnology mix. I thought, 'Okay, we know anecdotally what is going on with our copper'. So I asked NBN Co, who are proposing, presumably, on the basis of these announcements to roll out a fibre-to-the-node option—and I have done a number of FOI requests—if they could they show us what documentation they had regarding the capacity and the state of the copper wire in those networks: those serviced by the Bassendean exchange and those in Armadale and Kelmscott. NBN Co came back to me, in both instances, to both FOI requests, and said that they have absolutely no documentation relating to the state and the capacity of the copper wire in these areas.

Minister, I have written to you and asked if you could then explain, given this businesslike and methodical way in which you are proposing to go about this rollout, how you are going to be able to roll out a technology when the medium that you are seeking to use is something about which you have absolutely zero knowledge? Please explain to me how we can be rolling out the NBN into Bassendean using the copper wire, when NBN Co tells us again and again that it has absolutely no information about this medium it is seeking to use?

Mr TURNBULL (Wentworth—Minister for Communications) (12:12): I thank the honourable member for her question. I just want to draw her attention to the fact that in Bassendean, in particular, the honourable member will find that a major reason—for very poor internet connectivity is that many premises there are on what are called 'pair gain systems'. If the honourable member will bear with me: the way a pair gain system operates is that a given number of copper pairs, copper lines—wires—go to a device called a RIM and then more pairs come out the other side. The ratio may be four to one, so you might have 100 going in and 400 going out. It was used by the telcos—by Telstra, obviously—in order to service new estates. That is what has been described as a 'broadband blocker'. The honourable member will find that that is the major problem. It is not issues about poor joints and so forth in the copper.

Ms MacTiernan interjecting—

Mr TURNBULL: If the honourable member wants an answer, she should just let me go on. I am aware of the issue and I am answering the question. When you have fibre to the node, if you imagine that point where the RIM sits, which is where the 400 lines go out and only 100 are coming in, you take the fibre to that RIM and you install a node there. From that point those people who are on what had been a pair gain system go from having little or no broadband to having terrific broadband, because the fibre effectively brings the exchange to their doorstep because of that fibre connection.

There are many people who will get fibre to the premises. If they have very good ADSL or if they are in an area like the member for Chifley's, where they had good HFC and that was overbuilt, they may not, depending on the applications they use, actually notice a huge difference. They may not notice any difference at all. People on pair gain systems will see a transformative difference. So I just say to the honourable member that, on my advice, that is the major factor there.
Ms MacTIERNAN (Perth) (12:14): Minister, I just have two questions. I do not think that is an issue; it is not the only problem. Secondly, how do you know this when NBN Co says it has no information on the copper wire network in these areas? How do you know that?

Mr TURNBULL (Wentworth—Minister for Communications) (12:15): The honourable member is confusing two issues. The NBN Co and, of course, the telcos know where pair gain systems are located. If you are saying to NBN Co, 'What do you know about the state of the copper—that is, whether the pits are broken, whether there are poor joints, whether there is water penetration through some of the binders and so forth?' then that information is not going to be available until such time as you check it out.

Ms MacTIERNAN: So you do not know. You do not know whether it is going to have to be done.

Mr TURNBULL: It is fine for the honourable member to question me, but she really has to listen to the answer, and this is the answer: the NBN Co has made an enormous provision for remediation of the copper infrastructure. Yes, there will be bridge taps. Yes, there will be bad joints. Any linear network, whether it is made out of copper or glass, is always going to have remediation issues. But the fact is that the NBN Co has made a very substantial provision—a very conservative provision—to remediate any of those breaches in the copper network. So, in summary, pair gain systems are a major part of the problem in the honourable member's electorate and the areas she describes, and they are transformed by FTTN. It is as though that technology was made to solve that problem.

As far as run-of-the-mill deterioration in linear infrastructure is concerned, of course it will be remediated and made good. It is enormous, but there is very conservative and more than adequate provision made to remediate it.

Mr TAYLOR (Hume) (12:17): I know the minister is aware that few issues galvanise rural communities more than lack of mobile phone access in mobile phone black spots. In my electorate, whether you are in Bigga, Wamboin or, indeed, Grabben Gullen, this is a major issue and it galvanises these rural communities. I will highlight that between 2007 and 2013 we made very little progress on this topic, despite the fact that during the course of the Labor government there were commitments of up to $90 billion for fibre into regions that already had HFC, as we have heard earlier today. So we took a promise to the 2013 election to invest $100 million to boost mobile phone coverage in outer metropolitan, regional and rural areas. I ask: when will the coalition deliver on that promise, what has community response been to the Mobile Black Spot Program, and when will communities start to benefit from the program?

Mr FLETCHER (Bradfield—Parliamentary Secretary to the Minister for Communications) (12:18): The member is absolutely right that there is very strong community sentiment throughout regional and remote Australia about the need for improved mobile coverage, and I have certainly had the opportunity in the member's own electorate, as well as in some 40 other electorates around the country, to meet with Australians who are very frustrated about the fact that the previous government kept talking about how much money it was putting into the National Broadband Network but seemed to have its hands over its ears when it came to the question of improving mobile coverage in regional and remote Australia—so much so that, extraordinarily, it was the policy under the previous government that NBN Co was discouraged from engaging with the mobile operators to consider, for example, whether NBN backhaul could be made available to mobile operators to increase
their penetration into regional and remote Australia, and there was very little going on in terms of co-location of mobile base stations onto NBN fixed wireless towers.

That was the policy of the previous government. As the member has rightly highlighted, the coalition have taken a very different approach. We took to the last election a policy commitment to spend $100 million on improving mobile coverage in regional and remote Australia. Since coming to government the minister has asked me to take responsibility for this program. We have been working through it in a speedy but methodical fashion. We issued guidelines late last year after consulting extensively with both the industry and the community.

One thing we did was say to Australians, 'Please nominate locations around Australia which you believe have inadequate mobile coverage and locations in regional and remote Australia which do not have mobile coverage and which, in your view, need it.' Some 6,000 locations were nominated and established on a public database. We then said to the mobile network operators: 'Please come forward with your proposals. Which of those locations would be ones that you could cover with a new base station? Tell us how much you will spend on that base station. Tell us the total capital cost of that base station. Tell us how much money you want out of the government's fund. Tell us whether you have been able to secure funding from co-funders, such as state governments, local councils and private businesses.' I am pleased to say that, as has been publicly announced, a number of state governments have made funding commitments—for example, the New South Wales government has committed $25 million, the Western Australian government has committed $35 million and indeed the Victorian government announced shortly before submissions closed from the mobile operators that they were committing money as well.

So let us look at where we are up to. On 19 April, the closing date for the three mobile operators—Telstra, Optus and Vodafone—to submit their proposals, they gave us a list of base stations that they propose to build and provided the information that I specified before. We are now going through a process of determining which base stations will be funded in accordance with the guidelines. We are on track to be able to announce the results by 30 June.

A division having been called in the House of Representatives—

Sitting suspended from 12:22 to 12:42

The DEPUTY SPEAKER: The question is that the proposed expenditure for the communications portfolio be agreed to.

Proposed expenditure agreed to.

Debate adjourned.

ADJOURNMENT

Mr LAUNDY (Reid) (12:44): I move:
That the Federation Chamber do now adjourn.

Smith, Ms Alexis

Ms BURKE (Chisholm) (12:43): Today, I want to say 'happy birthday' to a very special constituent friend and volunteer in my office, Alexis Smith. Alexis just celebrated her 50th birthday, and while this is an important milestone for anybody this is extraordinarily special for Alexis. Alexis has osteogenesis imperfecta, a genetic condition which inhibits the
development of strong bones. In Alexis's case this has left her with very brittle easily breakable bones and shorter limbs, confining her to a very specialised wheelchair. It is a sad fact that due to the respiratory complications and the high possibility of trauma that can be easily inflicted by a small accident, many people living with OI never reach the ripe age of 50. Alexis often jokes that the many serious issues she has had accessing appropriate support and government funding stem from the fact that they 'just did not expect me to still be here. My problem is I am still alive'.

Most of the appropriate support and funding in this area is actually geared towards young children, and this has been a genuine problem which has plagued Alexis as she has grown older. It was particularly special to join Alexis and a crowd of more than 50 people, including family, neighbours, friends and support workers, in Huntingdale hall on Saturday night. Her sister Margaret, as always, did an amazing job. She is a terrific support of Alexis and her extended family. Many others were also there, cooking an amazing array of food and topping it off with 50 delicious lemon cupcakes.

I first met Alexis at Clayton North Primary School many years ago when she was there with a support service known as Disability Dogs. They were doing a reading program. The dogs were reading to the children. I know it sounds ridiculous, but when you see it in action it works, and it works beautifully. Alexis bemoaned the fact that no-one would give her an opportunity to even volunteer in their office. So I said, 'Fine. Come on down to mine.' There were some issues with my lifts and other things to accommodate Alexis in my office, but once that had been achieved Alexis was able to work in my office and has been working in my office ever since. She is a great asset to it, as well as her disability dog, which makes the place just happier to be in.

Broken bones have been a way of life for Alexis. She broke one literally just before her birthday, but she was determined to go on and have a fantastic party. This has not stopped Alexis from living a full and successful life, with many achievements, including obtaining a master's degree in finance and accounting from Deakin University. It is a wonderful privilege to know Alexis and her amazing family. Her father is about to turn 90. He is one of her primary carers. Again, this is because we cannot get people to care for Alexis because she 'falls between the cracks'. I have Alexis in my office, working as part of my team every week.

I am pleased to say that Alexis is not the only person with a disability who volunteers to work in my office. As much as possible, I try to assist constituents with work experience opportunities. We need to do everything possible to open up more opportunities for people with disabilities. I am also fortunate right now to have an amazing volunteer in Lisa, who is doing a work placement in my office from Holmesglen TAFE. Lisa has cerebral palsy. It affects her ability to communicate, and she uses a special speech machine to communicate with us. It does not stop her from rapidly firing off many things via that machine or having the greatest cheek of anyone I have come across in my office. She has an amazing intellect and knowledge of facts about many things political. She is confined to a wheelchair and needs physical assistance with a number of tasks that we all take for granted, but Lisa is a bright, bubbly, cheeky, delightful and intelligent young woman, who approaches her work with a diligence and competence that few others would. Indeed, we often run out of work for Lisa to do because she has churned through it in such an amazing fashion. Like Alexis, Lisa has
quickly become an integral and valuable part of my office—Lisa especially because she gives an amazing amount of stick to the rest of my staff!

But the frustrating truth remains that far too many employers still refuse to look past the disability and far too many dismiss the opportunity to employ the services of persons with a disability, without even meeting them. Holmseglen TAFE are finding it increasingly difficult to find organisations willing to accept work experienced students with a disability. They cite fear of liability and insurance issues. It is really these issues that can readily and easily be dealt with—and we have. Even in Lisa's case a cerebral palsy support organisation was concerned that Lisa's physical needs would be too demanding for them and so they would not take her on a placement. Anyone would have thought that they would have been the first to help. Ultimately, it is their loss and my gain because it is my workplace that is now a better place, thanks to Lisa.

So I implore more organisations to open themselves up to people with a disability. People like Alexis and Lisa are capable and smart and have a lot to offer. Through no fault of their own, they face daily physical challenges that we have a responsibility to help them overcome—not to use that as an excuse to deny them every opportunity. Again, happy birthday, Alexis. It was an absolute delight to be there on Saturday. Well done on getting to 50. (Time expired)

**Infrastructure**

Mr ALEXANDER (Bennelong) (12:48): Over the past 4½ years I have made many speeches in this place on the infrastructure deficit in Bennelong and the damaging flow-on implications this has on economic productivity and quality of life. This malaise reaches across our nation, and the Abbott government has correctly identified infrastructure as a key economic and growth driver. For too long, Australians in both urban and regional areas have suffered from lack of planning and timely construction of infrastructure. The immediate challenge is to address the deficit that has occurred, while ensuring that history does not repeat itself through an absence of commitment to future planning.

The Australian Infrastructure Audit Report, recently released by the Prime Minister, noted:

The current level of public sector expenditure—especially in the transport sector … may be unsustainable …

It also stated:

Current arrangements for the funding of land transport represent the most significant opportunity for public policy reform in Australia's infrastructure sectors.

Finally, the audit noted:

Government funding alone is unlikely to be sufficient to provide the infrastructure that Australia requires. Maintaining or strengthening conditions to facilitate private sector investment in and operation of Australia's infrastructure networks is fundamentally important.

It has become clear that the manner in which governments have funded infrastructure development simply has not delivered the outcomes we expect and need. Infrastructure construction is a long-term and risky business. Companies willing to spend the millions required just to tender for projects require stability in the process and certainty in remuneration. Failure by governments at all levels to provide this environment has led to
generations of neglect in planning and infrastructure deployment to keep pace with our growth.

All transport infrastructure built in this country has been as a direct result of the preceding population growth. This is despite the fact that the growth had been severely restricted by the capacity constraints of existing infrastructure. My contention is that the infrastructure should serve as a catalyst for future growth, and it is that growth that should be the source of funding for the infrastructure. This would create a sustainable funding loop where the infrastructure is essentially funded by the benefits it creates. The alternative is to continue retrofitting infrastructure into our major cities, which is a significantly more costly and logistically difficult exercise. As land values increase, resumption becomes too expensive so tunnelling is the only option. If tunnelling is too expensive, nothing happens—and nothing has happened far too often.

Whether it is increasing our housing capacity through urban renewal and densification or finding ways to grow through regional development, the opportunity to fund the necessary infrastructure through innovative methods is absolutely essential. This realisation brought me to the concept of value capture, which is used to great success in different formats in many countries, including the United States, United Kingdom, Brazil Korea, Japan and Hong Kong. This concept harnesses the extra tax revenues drawn from the increase in property values that directly result from the construction of transport infrastructure connectivity.

Australia is very well placed to utilise such a system as our two core property taxes are value based: capital gains tax and stamp duty are both calculated on the real value of the property. We therefore have an opportunity to take a different approach to infrastructure funding; to actively rezone and build connectivity that will maximise property value increases. Rather than the fashionable concept of transport oriented development, this would be more akin to development oriented transport. For a government, this approach would stimulate a huge growth in tax receipts, and therefore create a new pool from which to fund the infrastructure that was the initial source of the growth.

Value capture brings collateral benefits beyond contributing funds, through its capacity to establish an alignment of state and local government with federal objectives. Through this alignment government can provide an environment of certainty, stability and sustainable growth under which business can flourish. This link is forged by the certainty for states to receive federal funding for specific infrastructure projects enhanced by their optimal zoning and development approval processes.

Without a plan, our country's growth, productivity and competitiveness has been compromised, characterised by overheated inefficient cities and regional areas frozen out. We must build the bridges to unite the three tiers of government with business, and to level out that imbalance. Value capture has great potential and vast application to deliver our infrastructure needs now and in the future.

**Forestry Tasmania**

**Mr WILKIE (Denison) (12:53):** I am often approached by constituents with concerns about forestry practice in Tasmania. Their concerns are widespread, but most often centre on the environment, as well as on politicians and the mistakes they make. Curiously though, not all of the disgruntled members of the community approaching me are environmentalists.
Indeed some are strong supporters of forestry in Tasmania concerned that the industry has evolved in unsatisfactory ways to the point where the forests have been overworked, and many of the associated businesses have either gone broke or been made marginal at best.

A particular concern is Forestry Tasmania, which is the government business enterprise responsible under state legislation for managing the forests. It was established in 1994 with no debt. It paid tax, generated positive returns and cash flows, and held assets of $2.227 billion. However, it has been run down progressively to the point where, by some estimates, since the late 1980s over $359 million in taxpayers' money has had to be injected into FT and its predecessor, the Forestry Commission. This includes the $23 million state government bailout in fiscal year 2013-14 and an equity transfer of $30 million planned for fiscal year 2015-16. And that $2 billion plus in assets: what happened to that? The most recent FT report puts it now at $237.5 million, almost $2 billion less than what the enterprise started with not all that long ago. This matter is very complex and needs much more than the five minutes I have here today. To assist the parliament, I seek leave to table relevant material prepared by Mr John Hawkins from northern Tasmania.

Leave granted.

Mr WILKIE: What FT is worth now is anyone's guess. Mr Saul Eslake apparently put it at $25 million in 2006; although the fact that the enterprise is effectively insolvent probably makes it worthless as a business nowadays. Nor can the potential value in all those trees solve FT's woes, because the value of the standing timber is down to $86.083 million while FT's debt sits at about $221 million. Exactly how Forestry Tasmania got itself into this diabolical mess has never been determined, or at least never revealed. Yes, the state government has recently reviewed the enterprise and announced some changes. But the reasons for the mess have never been aired publicly, despite the fact that literally billions of dollars of public money have been squandered across many decades on the Tasmanian forestry industry, if you add up all the state and federal grants, the tax breaks on the managed investment schemes and the depreciation of the assets. Indeed, just the sum of all the state and federal government grants alone has reached a whopping $780 million since 1997.

Frankly, what is needed now is a royal commission, or a commission of inquiry, to finally get to the bottom of this and to hold people to account. Surely that is what is needed: a proper inquiry, with broad terms of reference and the power to compel witnesses to front up and to explain themselves. Yes, this would be a big deal and costly. But the FT disaster is no small matter because, to this day, virtually nothing is known of the decisions made by those responsible for the enormous waste of public funds and the abject failure of business, governance and public administration. In my opinion, the first witness should be Mr Evan Rolley, who was the managing director of FT from 1994 until 2006. He is now the executive director of Ta Ann Tasmania Pty Ltd and would also be able to help an inquiry understand why taxpayers then went and paid $26 million to that company. A succession of premiers and relevant ministers should also explain themselves.

I support a Tasmanian forestry industry so long as it pays its own way and stops damaging the environment. Whether or not that includes Forestry Tasmania remains to be seen. But what is clear is that we are bound to repeat the mistakes of the past unless we do something about it.
Mr PITI (Hinkler) (12:58): Last month the coalition government committed to establish a multi-agency task force to target visa fraud and employers that exploit foreign workers. It is something I have been calling for since May last year, and I would like to thank Assistant Minister Cash, Minister Keenan, Minister Dutton and Minister Abetz for listening to their backbench and giving this matter the attention that it deserves. I would also like to thank their staff.

This is also a significant win for the Nationals. At Federal Council in August, the Nationals voted unanimously to seek a multijurisdictional taskforce. Exploitation of foreign workers is something which predominantly impacts regional farming electorates held by Nationals MPs. Allegations and complaints, and we have all received them, range from the underpayment and sexual exploitation of workers to tax evasion, visa breaches, racial discrimination, intimidation of farmers and overcrowding in private residential dwellings.

Taskforce Cadena will be led by the Department of Immigration and Border Protection and the Fair Work Ombudsman. They will work with the Australian Federal Police, the Australian Securities and Investment Commission, the Australian Taxation Office and various state and territory agencies to ensure incidents of exploitation and visa fraud are appropriately investigated.

Better coordination and intelligence sharing between agencies in the various levels of government will ensure seasonal workers are protected from unscrupulous employers. The majority of businesses do the right thing. This issue is not confined to the horticulture sector or the Bundaberg region. That is why I am pleased that Taskforce Cadena will operate nationwide and across a range of industries. Organised criminal networks and people seeking to profit by exploiting both illegal and legitimate workers should be under no illusion: Taskforce Cadena is targeting you. Not only do their actions disadvantage those employers who do do the right thing, but they are also thumbing their noses at the hardworking Australian taxpayer.

Queensland Nationals Senator Barry O’Sullivan and I hosted a stakeholder forum in Brisbane last year with farmers, contractors, migrant support organisations and state and local government representatives. The very clear message that we received from that meeting was that new legislation and further inquiries are not the answer. Stakeholders wanted real action. They said there needed to be greater enforcement of existing laws and greater cooperation between the many relevant agencies across all three levels of government. Taskforce Cadena will do just that. I will be asking the relevant ministers to provide a central contact point for people to lodge complaints with the task force.

At present, the division of which agency is responsible for what is about as clear as mud. For example, complaints about the process for getting a second year on a 417 visa is the responsibility of the Department of Employment. Most people would think that visa extensions were a matter for the department of immigration, but apparently not. I would like to see a 'know your rights and responsibilities' educational campaign that provides foreign visa holders with a wallet sized card that lists what agency to call over which matter. That might also extend to a smartphone app. Until then, allegations and tip-offs can be emailed to allegations@immi.gov.au.
Immigration and Border Protection has significantly enhanced its investigative abilities in recent months in preparation for the establishment of the Australian Border Force on 1 July. Just last week, about 120 officers from Immigration and Border Protection as well as Fair Work and state and territory police participated in Operation Cloudburst. The operation detected 38 illegal workers in homes and work sites across 11 businesses in Western Australia, South Australia, Queensland, New South Wales, Victoria and Tasmania.

The results in such a short period of time demonstrate just how widespread the problem is and why I have been calling for a multi-jurisdictional task force. By all accounts, unscrupulous labour hire contractors are highly organised and difficult to trace, so I congratulate the officers involved in the crackdown for nabbing two labour hire racket operators. The intelligence that officers gathered as part of Operation Cloudburst will certainly be of use to Taskforce Cadena.

This is an issue which has been around for at least 15 years. It was first raised by Philip Ruddock in 1999. It has been the subject of numerous inquiries, numerous Senate reports and various other activities within government. Taskforce Cadena takes real action. This government is getting on with the job of targeting unscrupulous labour hire contracting firms, and they should be under absolutely no illusion that this task force is targeting them. It will make them accountable and it will provide a level playing field for all Australian businesses without exploiting workers who really have no other option.

**Australia Consensus Centre**

Ms MacTIERNAN (Perth) (13:03): I want to talk a little bit about the process surrounding the approval of Bjorn Lomborg's ironically named 'Consensus Centre' in the University of Western Australia. I want to reflect a little on the very interesting matters that came out of last night's estimates. I compliment Senator Kim Carr for his very fine forensic performance in trying to extract data on an issue where clearly the federal government is extremely reluctant to provide any clarity. It certainly is quite extraordinary that, when we are talking about funding of an academic institute, we should see such an extraordinary level of secrecy surrounding it. But Senator Carr did get some insights.

One of the most interesting things that came out last night was indeed that the decision to fund the $4 million was made before any university partner was found for the Consensus Centre. So, as it was put by the public servant last night, the decision was made by government to support a methodology. Here we had a particular methodology that the government had decided to support—a methodology which, I might add, has been called into considerable question in other parts of the world. Indeed, the very methodology that was embraced by this government has in fact been defunded by the Danish government, such is the concern about the scientific rigour around this.

Senator Birmingham wheeled out a number of red herrings which have become the standard defence of the government about this process. Last night, they talked about a number of different facilities which had been funded by government and under Labor governments. In particular, they focus on two. They focus on the Whitlam Institute. Senator Birmingham talked about the Whitlam Institute and how that had been funded under Labor.

Can I just contrast the Whitlam Institute. The Whitlam Institute actually was created during the Howard government, and it was created by the University of Western Sydney in...
collaboration with our former Prime Minister, Gough Whitlam, who had gifted all of his records and papers to the university for historical research. This was not an institute dreamed up by the government. It was a subsequent funding of a very, very reputable university, the University of Western Sydney, which had done as we do for all of our prime ministers. We establish a facility that becomes the repository for their papers and for the research into issues surrounding the period of government in which they were at the helm—quite proper. It is a completely different set of circumstances. It was developed, as I say, during the period of the Howard government. Indeed, it may have got some funding during the Labor government, but it was funding to a university for a well-established tradition in this country of having prime ministerial libraries.

The next one that is trotted out is The Conversation. It was said that this is similar to the funding of The Conversation—again wrong. The Conversation was established quite independently. It was a collaboration between the CSIRO and four universities, and its aim was to provide a vehicle for popularising—or making more accessible—university research. It was a very, very smart idea, I think, to create that. *(Time expired)*

Question agreed to.

**Federation Chamber adjourned at 13:09.**
QUESTIONS IN WRITING
Greenway Electorate: National Broadband Network
(Question No. 794)

Ms Rowland asked the Minister for Communications, in writing, on 12 May 2015
When can residents in (a) Toongabbie, (b) The Ponds, and (c) Glenwood, in the electoral division of
Greenway expect to be connected to the National Broadband Network.

Mr Turnbull: the answer to the member's question is as follows:

The details of when the nbn network will be available to a particular area is a matter for nbn. However, I can advise that some areas of The Ponds are already covered by the nbn fibre to the premises network.

I expect nbn will be releasing their 3 year rollout plan, which will provide more information in the coming weeks.