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RADIO BROADCASTS
Broadcasts of proceedings of the Parliament can be heard on ABC NewsRadio in the capital cities on:

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For information regarding frequencies in other locations please visit http://www.abc.net.au/newsradio/listen/frequencies.htm
FORTY-THIRD PARLIAMENT
FIRST SESSION—THIRD PERIOD

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

House of Representatives Officeholders
Speaker—Mr Harry Alfred Jenkins MP
Deputy Speaker—Hon. Peter Neil Slipper MP
Second Deputy Speaker—Hon. Bruce Craig Scott MP
Members of the Speaker’s Panel—Ms Anna Elizabeth Burke MP, Hon. Dick Godfrey Harry Adams MP, Ms Sharon Leah Bird MP, Mrs Yvette Maree D’Ath MP, Mr Steven Georganas MP, Ms Kirsten Fiona Livermore MP, Mr John Paul Murphy MP, Mr Peter Sid Sidebottom MP, Mr Kelvin John Thomson MP, Ms Maria Vamvakou MP

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

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

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

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

Printed by authority of the House of Representatives
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**PARTY ABBREVIATIONS**

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

**Heads of Parliamentary Departments**

Clerk of the Senate—R Laing
Clerk of the House of Representatives—B Wright
Secretary, Department of Parliamentary Services—A Thompson
GILLARD MINISTRY

Prime Minister
Deputy Prime Minister, Treasurer
Minister for Regional Australia, Regional Development and Local Government
Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate
Minister for School Education, Early Childhood and Youth
Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate
Minister for Foreign Affairs
Minister for Trade
Minister for Defence and Deputy Leader of the House
Minister for Immigration and Citizenship
Minister for Infrastructure and Transport and Leader of the House
Minister for Health and Ageing
Minister for Families, Housing, Community Services and Indigenous Affairs
Minister for Sustainability, Environment, Water, Population and Communities
Minister for Finance and Deregulation
Minister for Innovation, Industry, Science and Research
Attorney-General and Vice President of the Executive Council
Minister for Agriculture, Fisheries and Forestry and Manager of Government Business in the Senate
Minister for Resources and Energy and Minister for Tourism
Minister for Climate Change and Energy Efficiency

Hon. Julia Gillard MP
Hon. Wayne Swan MP
Hon. Simon Crean MP
Senator Hon. Chris Evans
Hon. Peter Garrett AM, MP
Senator Hon. Stephen Conroy
Hon. Kevin Rudd MP
Hon. Dr Craig Emerson MP
Hon. Stephen Smith MP
Hon. Chris Bowen MP
Hon. Anthony Albanese MP
Hon. Nicola Roxon MP
Hon. Jenny Macklin MP
Hon. Tony Burke MP
Senator Hon. Penny Wong
Senator Hon. Kim Carr
Hon. Robert McClelland MP
Senator Hon. Joe Ludwig
Hon. Martin Ferguson AM, MP
Hon. Greg Combet AM, MP

[The above ministers constitute the cabinet]
GILLARD MINISTRY—continued

Minister for the Arts
Minister for Social Inclusion
Minister for Privacy and Freedom of Information
Minister for Sport
Special Minister of State for the Public Service and Integrity
Assistant Treasurer and Minister for Financial Services and Superannuation
Minister for Employment Participation and Childcare
Minister for Indigenous Employment and Economic Development
Minister for Veterans’ Affairs and Minister for Defence Science and Personnel
Minister for Defence Materiel
Minister for Indigenous Health
Minister for Mental Health and Ageing
Minister for the Status of Women
Minister for Social Housing and Homelessness
Special Minister of State
Minister for Small Business
Minister for Home Affairs and Minister for Justice
Minister for Human Services
Cabinet Secretary
Parliamentary Secretary to the Prime Minister
Parliamentary Secretary to the Treasurer
Parliamentary Secretary for School Education and Workplace Relations
Minister Assisting the Prime Minister on Digital Productivity
Parliamentary Secretary for Trade
Parliamentary Secretary for Pacific Island Affairs
Parliamentary Secretary for Defence
Parliamentary Secretary for Immigration and Multicultural Affairs
Parliamentary Secretary for Infrastructure and Transport and Parliamentary Secretary for Health and Ageing
Parliamentary Secretary for Disabilities and Carers
Parliamentary Secretary for Community Services
Parliamentary Secretary for Sustainability and Urban Water
Minister Assisting on Deregulation and Public Sector Superannuation
Minister Assisting the Attorney-General on Queensland Floods Recovery
Parliamentary Secretary for Agriculture, Fisheries and Forestry
Minister Assisting the Minister for Tourism
Parliamentary Secretary for Climate Change and Energy Efficiency

Hon. Simon Crean MP
Hon. Tanya Plibersek MP
Hon. Brendan O’Connor MP
Senator Hon. Mark Arbib
Hon. Gary Gray AO, MP
Hon. Bill Shorten MP
Hon. Kate Ellis MP
Senator Hon. Mark Arbib
Hon. Warren Snowdon MP
Hon. Jason Clare MP
Hon. Warren Snowdon MP
Hon. Mark Butler MP
Hon. Kate Ellis MP
Senator Hon. Mark Arbib
Hon. Gary Gray AO, MP
Senator Hon. Nick Sherry
Hon. Brendan O’Connor MP
Hon. Tanya Plibersek MP
Hon. Mark Dreyfus QC, MP
Senator Hon. Kate Lundy
Hon. David Bradbury MP
Senator Hon. Jacinta Collins
Senator Hon. Stephen Conroy
Hon. Justine Elliot MP
Hon. Richard Marles MP
Senator Hon. David Feeney
Senator Hon. Kate Lundy
Hon. Catherine King MP
Senator Hon. Jan McLucas
Hon. Julie Collins MP
Senator Hon. Don Farrell
Senator Hon. Nick Sherry
Senator Hon. Joe Ludwig
Hon. Dr Mike Kelly AM, MP
Senator Hon. Nick Sherry
Hon. Mark Dreyfus QC, MP
### SHADOW MINISTRY

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<td>Leader of the Opposition</td>
<td>Hon. Tony Abbott MP</td>
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<tr>
<td>Deputy Leader of the Opposition and Shadow Minister for Foreign Affairs and Shadow Minister for Trade</td>
<td>Hon. Julie Bishop MP</td>
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<tr>
<td>Leader of the Nationals and Shadow Minister for Infrastructure and Transport</td>
<td>Hon. Warren Truss MP</td>
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<tr>
<td>Leader of the Opposition in the Senate and Shadow Minister for Employment and Workplace Relations</td>
<td>Senator Hon. Eric Abetz</td>
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<tr>
<td>Deputy Leader of the Opposition in the Senate and Shadow Attorney-General and Shadow Minister for the Arts</td>
<td>Senator Hon. George Brandis SC</td>
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<tr>
<td>Shadow Treasurer</td>
<td>Hon. Joe Hockey MP</td>
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<td>Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House</td>
<td>Hon. Christopher Pyne MP</td>
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<tr>
<td>Shadow Minister for Indigenous Affairs and Deputy Leader of the Nationals</td>
<td>Senator Hon. Nigel Scullion</td>
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<tr>
<td>Shadow Minister for Regional Development, Local Government and Water and Leader of the Nationals in the Senate</td>
<td>Senator Barnaby Joyce</td>
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<tr>
<td>Shadow Minister for Finance, Deregulation and Debt Reduction and Chairman, Coalition Policy Development Committee</td>
<td>Hon. Andrew Robb AO, MP</td>
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<tr>
<td>Shadow Minister for Energy and Resources</td>
<td>Hon. Ian Macfarlane MP</td>
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<td>Shadow Minister for Defence</td>
<td>Senator Hon. David Johnston</td>
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<td>Shadow Minister for Communications and Broadband</td>
<td>Hon. Malcolm Turnbull MP</td>
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<td>Shadow Minister for Families, Housing and Human Services</td>
<td>Hon. Kevin Andrews MP</td>
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<td>Shadow Minister for Climate Action, Environment and Heritage</td>
<td>Hon. Greg Hunt MP</td>
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<td>Shadow Minister for Productivity and Population and Shadow Minister for Immigration and Citizenship</td>
<td>Mr Scott Morrison MP</td>
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<td>Shadow Minister for Innovation, Industry and Science</td>
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<td>Shadow Minister for Small Business, Competition Policy and Consumer Affairs</td>
<td>Hon. Bruce Billson MP</td>
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[The above constitute the shadow cabinet]
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<td>Shadow Minister for Employment Participation</td>
<td>Hon. Sussan Ley MP</td>
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<td>Shadow Minister for Justice, Customs and Border Protection</td>
<td>Mr Michael Keenan MP</td>
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<td>Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation</td>
<td>Senator Mathias Cormann</td>
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<td>Shadow Minister for Childcare and Early Childhood Learning</td>
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<td>Shadow Minister for Universities and Research</td>
<td>Senator Hon. Brett Mason</td>
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<td>Shadow Minister for Youth and Sport and Deputy Manager of Opposition Business in the House</td>
<td>Mr Luke Hartsuyker MP</td>
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<td>Shadow Minister for Indigenous Development and Employment</td>
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<td>Shadow Special Minister of State</td>
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Tuesday, 10 May 2011

The SPEAKER (Mr Harry Jenkins) took the chair at 14:00, made an acknowledgement of country and read prayers.

CONDOLENCES

Rose, Mr Lionel Edward, MBE

Ms GILLARD (Lalor—Prime Minister) (14:01): I move:

That the House express its deep regret at the death of Mr Lionel Rose MBE, place on record its appreciation for his outstanding service to world sport and to the Australian community and tender its profound sympathy to his family and friends in their loss.

This week our nation marks the passing of a remarkable Australian, Lionel Rose—a man who rose from very modest beginnings to the highest level of international sport, taking the hopes of a nation with him. Lionel Rose started boxing as a 14-year-old in a makeshift boxing ring in country Victoria. It is said, according to one account, that he used to tie his hands up in rags because he could not afford the boxing gloves.

However, within two years, he had gone professional and by 19 was bantamweight champion of the world. In that fight in 1968 he was the underdog—the underdog who prevailed brilliantly and unexpectedly in 15 rounds while thousands of Australians listened to Ron Casey's thrilling blow-by-blow live commentary down a very crackling phone line from Tokyo. What they heard was possibly the best ever boxing win by an Australian. Not surprisingly, when Lionel Rose returned, fans turned out in droves to welcome his plane at Essendon Airport and to line his route into Melbourne. And 250,000 more gathered to cheer Australia's latest hero outside Melbourne Town Hall—truly a welcome to rival the scenes with the Beatles. That same year, 1968, Mr Rose's achievements were officially acknowledged by being appointed Australian of the Year, as well as a member of the Order of the British Empire. Few Australians have received such emphatic recognition so quickly or so deservedly.

In this golden age of Australian sport, we were not short of heroes—Rod Laver, Margaret Court, Dawn Fraser, Ken Rosewell, and of course the list goes on and on. But there was always something in the style of Lionel Rose that endeared him to the hearts of all Australians. One commentator spoke of his being a true gentleman, others of his exemplary sportsmanship and there was, of course, a winning smile and an easy manner that were just made for the camera and the TV screen.

Of course, in a nation with such a complex history as ours, there was a serious side to all of this as well. Lionel Rose's victory came less than a year after the 1967 referendum and offered a hint of what we could be as a nation, touching upon those shared aspirations we later came to know as reconciliation. His was a record of Indigenous achievement that was accepted on its own terms and its own merits, blazing a path for other Indigenous sporting greats like Evonne Goolagong and, more recently, Cathy Freeman. Like them, he excelled without qualification. He was simply the best at what he did. There was no adjective required.

By the end of his short but exceptional career, Rose had recorded 42 wins out of 53 bouts, including 12 knock-outs and had had a sparring session with Elvis Presley—a record any boxer would envy. He also made a point of refusing to fight in South Africa, even though the money was tempting—making Rose one of the first sportsmen in the world to stand up to the disgrace that was apartheid.
After hanging up the gloves, Lionel Rose went on to record a handful of popular singles. I am no expert on boxing; I defer to the Leader of the Opposition on that. And even if I had taken a sudden interest in boxing as a child, I cannot imagine my parents would have allowed me to follow it, but I do remember Lionel Rose from his singing career. I remember his songs, *I thank you* and *Please remember me*—songs which reinforced his fame with many and introduced him to new fans across Australia.

The Lionel Rose of more recent years suffered health complications that seem so far away from those earlier, happier times. Sadly, those health issues have ended his life much too soon. Today it is fair to say that Australia has lost a true-blue hero, a model of sportsmanship and decency both in the arena and outside it. But while Lionel Rose's life has been tragically cut short, his is a legend that will live on for generations for Indigenous and non-Indigenous Australians alike. His song said 'Please remember me' and today we do.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:06): I rise to join the Prime Minister in remembering a great Australian. Lionel Rose was never really a political activist, but few have equalled his efforts to bring about true reconciliation. When he returned from his legendary win against Fighting Harada in Tokyo in 1968, a quarter of a million Australians lined the streets to cheer. It was the first time so many Australians had cheered an Aboriginal person. How could Aboriginal people not be first-class citizens in their own country when one of them had done us all so proud? This was, I suspect, a seminal moment in the history of race relations in this country. As the Prime Minister said, we do remember him—especially his never-say-die spirit, which will always be an important part of the Australian character.

Honourable members: Hear, hear!

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

Honourable members having stood in their places—

Debate adjourned.

Reference to Main Committee

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (14:08): by leave—I move:

That the order of the day be referred to the Main Committee for debate.

I ask that I be associated with the comments of the Prime Minister and the Leader of the Opposition on the loss of this great Australian.

Question agreed to.

Cowan, the Hon. David Bruce, OAM

The SPEAKER (14:09): I inform the House of the death, on Thursday, 7 April 2011, of the honourable David Bruce Cowan AM, a member of this House for the division of Lyne from 1980 to 1993. As a mark of respect to the memory of Bruce Cowan I invite honourable members to rise in their places.

Honourable members having stood in their places—

Debate adjourned.

Reference to Main Committee

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (14:10): by leave—I move:

That statements, by indulgence, in relation to the death of the Honourable David Bruce Cowan AM be referred to the Main Committee.

Question agreed to.
STATEMENTS ON INDULGENCE

Choules, Mr Claude Stanley

Ms GILLARD (Lalor—Prime Minister) (14:10): on indulgence—Last Thursday the world heard the sad news of the passing of Mr Claude Choules, the last known veteran to have served in the First World War. Mr Choules was born in 1901 and joined Britain's Royal Navy at just 14—one of the 65 million personnel who served in the war to end all wars. They are amazing statistics: 65 million personnel; a boy who joined at 14. It is hard to believe that every one of those men is, to the best of our knowledge, now gone. The last known link to those who served in the Great War has been severed.

Claude Choules came to build a new life here in Australia after the war, continuing his military service with the Royal Australian Navy. He lived for a time in Sydney where he and his beloved wife, Ethel, watched the Sydney Harbour Bridge go up before their very eyes. Mr Choules served in our navy in the Second World War, fighting in the two world wars, and he subsequently built a career in the fishing industry in Western Australia. I hope he found some time to reflect as he was out there on the beautiful waters off Australia's shores—to reflect on being involved in two world wars, the enormous cost of war and the role he played as an eye witness to these terrible episodes that shaped our history.

Claude Choules made an outstanding contribution to the cause of freedom in two world wars. He witnessed the price of conflict firsthand and he rejected the glorification of war, as we all must. He was the last of the last. A defining chapter in world history ends with his passing. I join the Minister for Veterans' Affairs, who has already expressed his condolences to the family, and I join what I am sure is the whole House in sending our condolences to Mr Choules's family. Claude Choules was a man of peace and he now rests in peace.

Our nation will soon be reflecting deeply on World War I and Gallipoli as we enter the 100-year period of commemoration. We will say to each other on many occasions during that period 'lest we forget'. Today, we use those words about Claude Choules. Lest we forget.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:13): I rise to support the comments of the Prime Minister and to join the Prime Minister in mourning the passing of Claude Choules, who was the last combat veteran of World War I. In mourning his passing we remember all who served their king and their country in the Great War. We acknowledge that they put their country first, all of them.

I suppose this is an appropriate moment to express the hope that in our time, in our own way, this generation should be no less patriotic and no less motivated by the ideals of duty and service which motivated our forebears. On behalf of the opposition, I join the Prime Minister in expressing heartfelt condolences to Mr Choules's family, which, I am pleased to say, stretches through five generations. He fought that they might live.

The SPEAKER (14:14): I invite members of the House to show their support for the comments of the Prime Minister and the Leader of the Opposition by rising in their places.

Honourable members having stood in their places—

Debate adjourned.

Reference to Main Committee

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (14:15): by leave—I move:
That further statements by indulgence in relation to the death of Mr Claude Stanley Choules be referred to the Main Committee.

Question agreed to.

MINISTERIAL STATEMENTS

Osama bin Laden

Ms GILLARD (Lalor—Prime Minister) (14:15): Mr Speaker, on further indulgence, this is the first time the House has been able to reflect on the news that the world's No. 1 terrorist, Osama bin Laden, was killed on Monday of last week in a targeted operation conducted by a small team of US forces. Those personnel have our nation's gratitude. The death of Osama bin Laden is of course a great blow to terrorism. It is also a measure of justice for his victims and for a world that he has changed forever. As a nation, we are simply relieved that his long career of destruction is over—a two-decade campaign that cost thousands of innocent lives, including the lives of many people of Islamic faith. Those victims also include 10 Australians killed on September 11—9-11—and more than 100 Australians who have lost their lives in terrorist attacks inspired by or linked to al-Qaeda in the years since.

Osama bin Laden's death is a landmark in our campaign against al-Qaeda and it is no surprise that, like any other major event, this operation has given rise to internet conspiracy theories alleging that bin Laden is not really dead or he did not even exist except as a CIA construct. Of course, even al-Qaeda itself has acknowledged bin Laden's death—a warning to all those tempted to credulity or gullibility in this age of information overload. Bin Laden is dead, but we must not allow ourselves to become complacent. Al-Qaeda is still a resilient and persistent terrorist network and al-Qaeda inspired terrorist groups remain active elsewhere in the world.

Our long watch against terrorism is by no means over. The challenges in preventing terrorism and home-grown extremism in Australia and in the Asian region will remain. The challenges in bringing security and stability to Afghanistan will remain as well which is why on my recent visit to London I discussed with Prime Minister Cameron the need to continue our efforts in Afghanistan to take the fight to the insurgents, to train the Afghan National Army, to improve governance in Afghanistan and to work with elements amongst the insurgents who are prepared to renounce violence and adopt a path back to a constructive and purposeful civilian life. We also recognise here the crucial ongoing role Pakistan will have in defeating al-Qaeda and its affiliates, and note that many ordinary Pakistanis have been killed in al-Qaeda's ruthless attacks against their fellow Muslims.

On Saturday morning our time, I was able to speak to President Obama, who was on Air Force One returning from a visit to congratulate the special forces personnel involved in the operation against bin Laden. In our conversation, I offered Australia's thanks to the President and the US military personnel and officials who planned, supported and conducted this operation. I was also able to confirm Australia's commitment against global terrorism and the work that remains to be done in Afghanistan. I made it clear that Australia will see the mission through in Afghanistan, so it can never again become a terrorist safe haven. The operation against bin Laden strikingly affirms President Obama's resolve and capacity to fight terrorism—a resolve I have come to know well in my own meetings and discussions with him. We have in the White House a man of character, of sober judgment and of intellectual clarity. The operation against bin Laden is not the end of our journey. It is important and it will make a
difference but the job is not yet done. Our resolve endures and our purpose remains right and we will prevail.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:20): I rise to support the remarks of the Prime Minister. The death of Osama bin Laden is an important breakthrough in the fight against terror. As the Prime Minister said, it certainly does not mean that the terror threat is removed, but it is grounds for optimism and an unmistakable sign that this is not an unwinnable war. The Australian forces who have served so long and so well in Afghanistan are entitled to feel very encouraged by this breakthrough, and the families of Australian victims of terrorism are entitled to feel quiet satisfaction that the author of the worst terrorist atrocity in world history has finally been brought to justice.

Royal Wedding

Ms GILLARD (Lalor—Prime Minister) (14:21): On indulgence, and on a far happier topic, on behalf of all Australians, I rise to place on record the best wishes and congratulations of the Australian parliament and the Australia people on the marriage of Prince William and Catherine Middleton, now the Duke and Duchess of Cambridge. Along with the Governor-General and Mr Bryce, Tim and I were honoured to represent Australia at Westminster Abbey.

Opposition members interjecting—

Ms GILLARD: I thank members of the opposition for their sterling support. This was, of course, a highly formal and symbolic occasion for the Royal Family, for the British system of government and for the entire Commonwealth. It was also a very human occasion: two young people, very much in love, having the courage to build a life together amid the glare of publicity and scrutiny.

Opposition members interjecting—

Ms GILLARD: They are romantics on the opposition frontbench, Mr Speaker. It is obviously a huge pressure to know that your wedding will be watched by probably two billion people—that is an amazing statistic. The upside of that pressure is the joy that is given to so many. I had the opportunity to see that joy personally in the abbey and beyond with other prime ministers and governors-general. We watched the crowd outside Buckingham Palace as they saw William and Kate and the Royal Family come out onto the balcony. It was a truly amazing site, to literally see tens of thousands of people on the move, walking together, happy, no pushing, no shoving; nothing but happiness from the crowd itself and even from the police who were marshalling the crowd.

For many in the world this was a moment of uplift from the pressures of daily life. For the Royal Family, it was pomp and ceremony blended with a truly family wedding. At Buckingham Palace, before the cutting of the cake, the speeches given by Prince Charles and Prince William were the kind of speeches you would have expected to hear at any wedding in any suburb in any town in our nation—the father gently joking about his young son and his humour being returned by the young son as he joked about his old man; humour and emotion woven together. Around the world, of course, people celebrity spotted as they watched the royal wedding. Elton John, Posh and Becks were among the celebrities they wanted to spot. But there was an absence that was keenly felt—the absence of Princess Diana. I am sure she would have been very proud of her son, who has grown up into an exceptional young man, and of his choice of Kate Middleton, whose grace and self-possession spoke volumes about the character she brings to her new role. I am sure we all hope that the world has learnt and
the media has learnt some lessons from the way Princess Diana was treated, and that we will all give the royal couple our best wishes as well as the space and privacy they will need to pursue their lives together.

We wish the Duke and Duchess all the best in the busy and demanding years that lie ahead. Their wedding is a great time of renewal for the Royal Family and for Great Britain, and none of us would wish it any other way. For those of us who have a different view about Australia's constitutional future, it highlights the fact that our debate should not be centred on individual qualities but on issues of principle debated in an atmosphere of civility and reason. If Australia ever chooses a different path, it should be at the right time for the right reasons. In that spirit I welcome the marriage of William and Kate. It is good for Britain and good for the Commonwealth. May they enjoy a long and happy life together, as united at the end as they have been at the beginning.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:25): Mr Speaker, I rise to support the gracious remarks of the Prime Minister and I congratulate her for representing our country so well at this important occasion, the wedding of Australia's future king. It has rightly been celebrated throughout the world.

I want to dwell for a moment on one facet of this celebration, namely the prayer which Prince William and Catherine wrote for their nuptials. I want to quote it, if I may:

In the busyness of each day, keep our eyes fixed on what is real and important in life and help us to be generous with our time and love and energy ... help us to serve and comfort those who suffer.

What an inspirational young couple they are; what a beautiful lesson they have given us that should be heeded by all in public life. I have always wanted to say this in this chamber, so let me say with heartfelt conviction: May God save the Queen.

MINISTERIAL ARRANGEMENTS

Ms GILLARD (Lalor—Prime Minister) (14:26): I inform the House that the Treasurer will be absent from question time. I think everybody might know where he is. The Assistant Treasurer will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Asylum Seekers

Mr ABBOTT (Warringah—Leader of the Opposition) (14:27): My question is to the Prime Minister. I ask the Prime Minister whether, now that the East Timor solution is dead, the PNG solution will not happen and the latest one for five people swap with Malaysia is unravelling, the Prime Minister will finally pick up the phone to the President of Nauru, who is ready, willing and able to open the Australian funded detention centre within weeks?

Ms GILLARD (Lalor—Prime Minister) (14:28): I thank the Leader of the Opposition for his question, but I regret to advise him that the premises on which he has based his question are wrong. He does give me the opportunity, though, to explain some facts to him and this House about the arrangement that I have entered into with the Prime Minister of Malaysia. Either the Leader of the Opposition does not understand this arrangement, or he is misrepresenting it in the public domain. This arrangement of course is to break the people smugglers' business model and to take out of their hands the very product it is that they sell. They seek to prey on misery; they seek to say to people that they can get them to Australia, that their asylum claims will be processed here and if those claims are found to be valid, they will
be able to stay. The arrangement that Prime Minister Najib and I are committed to is an arrangement that will break this business model. The message to people smugglers and to asylum seekers would be that if you risk your life and spend your money on getting on a boat trying to come to Australia, you risk being taken to Malaysia and being put to the back of the queue. Malaysia is a country with tens of thousands of refugees who have genuine claims which have been processed and with no prospect of resettlement. Of those refugees we will take 4,000 extra, on top of our current humanitarian intake.

The Leader of the Opposition has been out there first and foremost trying to pretend to the Australian people that the 800 asylum seekers who are taken to Malaysia will somehow come back to Australia within the 4,000 quota. This is not right. The 4,000 refugees taken from Malaysia will be people who are in Malaysia now, whose claims have been processed and who are genuine refugees. The Leader of the Opposition has been trying to say to the Australian people that somehow we, the Australian government, will not be able to have a say in the selection of those 4,000 refugees. Of course this is wrong. Right around the world we take people through our special humanitarian intake system and we work with UNHCR and others so that refugees who have valid claims come to this country and settle in this nation.

Finally, the Leader of the Opposition has been representing that somehow it is the wrong thing to do to increase our humanitarian intake. He went to the last election saying he would increase that he would increase the humanitarian intake to 15,000. In a private conversation with the member for Dennison he said in the pursuit of his naked political interest that he would double it, costing the federal budget $3 billion. Let no Australian succumb to the analysis that the Leader of the Opposition can, without hypocrisy, criticise our decision to increase the humanitarian intake. The difference is that we explain it and we do it for a reason in the national interest. The Leader of the Opposition wanted to do it behind closed doors in his narrow political interest.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:32): Mr Speaker, I have a supplementary question. Can the Prime Minister confirm that it will be Malaysia and not Australia who will choose the 800 people they are supposed to take under her people swap deal?

Ms GILLARD (Lalor—Prime Minister) (14:32): That statement is completely untrue.

Economy

Ms BRODTMANN (Canberra) (14:32): My question is to the Prime Minister. Prime Minister, how is strong economic management vital in delivering job security for Australian families?

Ms GILLARD (Lalor—Prime Minister) (14:33): The guffaws have already started because the opposition does not care about this government's top priority and that is having a strong economy. We are dedicated to making sure Australia has the benefits of a strong economy. The chief benefit of a strong economy is that Australians are able to get jobs. This government is proud of its record in creating 750,000 jobs in the last 3½ years at a time when unemployment increased around the world. Even in the second year of its recovery after the global financial crisis, the US unemployment rate is still at nine per cent. In contrast, our unemployment rate is at 4.9 per cent. We are on track to fall to 4.5 per cent during 2013, meaning that around 1.25 million new jobs will have been created since this government came to office. This has been our focus
because of the importance to Australian families of people having a job.

We recognise that there are challenges in our patchwork economy, our two-speed economy, which is why, in ensuring that our economy is strong, we will also make sure that families who are at risk of being left behind also experience the benefits of this mining boom, that they do not get left behind as the economy grows. We understand that there are still far too many Australians who are not sharing in the benefits and dignity of work. There are around 230,000 Australians who have been without work for more than two years and there are 250,000 families where no adult works. The youth unemployment rate is more than double the unemployment rate generally and we know that there are some pockets in our nation where it exceeds to even greater figures.

In my view, there is nothing more important we can do as a government than make sure every Australian gets the benefit of opportunity, that we do not leave these Australians behind. With that opportunity comes responsibility. I have said that before. I believe that people must be in a position where they are expected to seek work and to perform work if they can do work—opportunity and responsibility working together.

We will continue to make sure that our economy is strong. We want to spread the opportunities of the mining boom, to make sure in our patchwork economy, in our two-speed economy, that there are not Australians left behind. We will do all of this while returning the budget to surplus in 2012-13, on time, as promised, as I said to the Australian people at the last election. This is the right thing for the economy; it is the right thing to do with the budget; it is the right thing to do for Australian families—not adding to the inflationary pressures that will come with this period of growth.

Now there is also a test for the Leader of the Opposition this week. On three occasions he has failed to make his figures add up—the election campaign, an $11 billion black hole; the flood package earlier this year a farce; last year's budget reply speech where he delegated to the shadow treasurer who delegated to the shadow finance minister for a press conference which even his own press secretary could not bear to watch. On Thursday night the Leader of the Opposition must come into this parliament and, for the first time ever, make his figures add up. We will be very interested to see whether he can get that done.

DISTINGUISHED VISITORS

The SPEAKER (14:37): I inform the House that we have present in the gallery this afternoon members of a parliamentary delegation from the National Assembly of Malawi led by the Speaker of the National Assembly, the Right Honourable Henry Chimunthu Banda MP. On behalf of the House, I extend a very warm welcome to our visitors.

Honourable members: Hear, Hear!

QUESTIONS WITHOUT NOTICE

Asylum Seekers

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (14:37): My question is to the Prime Minister. Will the Prime Minister guarantee that unaccompanied children will not be amongst the 800 asylum seekers sent to Malaysia as part of the government's latest asylum seeker policy?

Ms GILLARD (Lalor—Prime Minister) (14:37): Let me tell you one thing: I am not going to take lessons on compassion from this opposition given its track record in government on children in detention, including unaccompanied minors. I am not going to take lessons on compassion from
people who soiled themselves in government with a track record—

**Mr Pyne:** On a point of order, Mr Speaker: the Prime Minister was asked a very straightforward question without any hyperbole and I would ask you to ask her to answer it directly.

**The SPEAKER:** The Prime Minister has been asked a question. She will directly answer the question.

**Ms GILLARD:** On the question of treatment of children, this government has a record of ensuring that children of asylum seekers in this country are treated better than they were by the government that the Deputy Leader of the Opposition was a cabinet minister of. So let us not make any assumptions about treatment of children and who understands the needs of children best; let us just look to comparative track records—ours versus yours—and I will highlight ours in comparison with yours any day of the week.

**The SPEAKER:** Order! The Prime Minister will direct her remarks through the chair.

**Ms GILLARD:** On the question of the arrangement with Malaysia, I am not going to stand here in this parliament today and engage in a game with the Leader of the Opposition or the Deputy Leader of the Opposition on something as serious as this. What we are going to do is send the clearest possible message—

**Opposition members interjecting—**

**The SPEAKER:** Order!

**Mrs Mirabella:** One royal wedding invitation and you think you are a queen.

**The SPEAKER:** The six-week break was obviously not long enough for people to think about the dignity of the House. I just hope that, for the rest of the day, you might think of the dignity of the House. The Prime Minister will respond to the question as required by the standing orders. The standing orders also require that she be heard in silence.

**Ms GILLARD:** Thank you, Mr Speaker. The last words I used before you intervened to deal with the opposition were that I am not going to play a political game with the opposition about this today. The fact that this is all a political game for them was then verified by the interjection of the member for Indi. What this government will do is send a strong message to people smugglers that they cannot represent that they can get people to Australia, because when they make that representation the people they are making it to are at risk of being taken to Malaysia and ending up at the back of the queue.

I can also say to the Deputy Leader of the Opposition that, with our increase of 4,000 in the humanitarian intake, I bet some of them are children. She like might like to explain why the Leader of the Opposition is opposing that intake.

**Budget**

**Mr Byrne (Holt) (14:42):** My question is to the Assistant Treasurer and Minister for Financial Services and Superannuation. Will the minister update the House on the government's plan to return the budget to surplus and of any threats to these plans?

**Mr Shorten (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (14:42):** I thank the member for Holt for his question and I can report to him that the budget will—

**Ms Julie Bishop interjecting—**

**The SPEAKER:** Order! The Deputy Leader of the Opposition will withdraw.

**Ms Julie Bishop:** I withdraw.

**Mr Shorten:** I am pleased to report that the budget will be back in the black, that we will have more jobs for Australians and
that we will spread the opportunity of the mining boom across this nation. We will bring the budget back into surplus by 2012-13. The government has a strong fiscal strategy in place that has us on track to return to surplus well ahead of our peers. The strategy will ensure that, as we go forward, our public finances continue to be amongst the strongest in the developed world. This is the right economic strategy for the times and the right strategy for an economy which is expected to be pushing up against capacity over coming years.

We have a strict fiscal strategy to get us back on track. We are allowing the level of tax receipts to recover naturally as the economy improves and we will be maintaining the government's commitment to keep the tax share of GDP below the 2007-08 level left by our predecessors. We have a strict spending cap in place. We have been offsetting every single dollar in new spending. In fact, over the last three budgets, we have saved something like $83.6 billion. Members of the House might be interested to know that that number is seven times the savings put in place by the former government in their last three budgets. I have been asked to talk about what risks there are to these plans. Mr Speaker, I can tell you that the risk to these plans sits opposite. The Leader of the Opposition is a risk to these plans to get us out of deficit. If we were to use the opposition numbers as economic strategy, we would be in deficit every year over the next four years. On Thursday night the opposition have a clear choice: they can support the plans to return this budget to surplus by 2012-13 or they can squib the challenge. Budget week is not just about the government but about the opposition, and our challenge to the opposition is don't squib the challenge of taking the budget into surplus. None of us will forget, of course, that the opposition leader squibbed it last year. He handed it to Joe Hockey the next Wednesday, who handballed it to poor old Andrew Robb, who was left to try and find the cuts.

Asylum Seekers

Mr MORRISON (Cook) (14:47): My question is to the Minister for Immigration and Citizenship. Will the minister confirm that during the 11 days that detainees were on the roof of the Villawood Detention Centre they were free to come down from the roof, including to charge their mobile phones, and then allowed to return without interference from Serco staff, Immigration staff or the Australian Federal Police?

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (14:47): I
thank the honourable member for his question. In fairness, the honourable member has criticised me in recent weeks about this event, which I acknowledge. It appears that the honourable member for Cook, if he were to hold the office that I hold, would ignore the advice of the Australian Federal Police that it would have been unsafe for the Australian Federal Police to get on the roof to remove the detainees who were protesting.

Mr Morrison: Mr Speaker, on a point of order: it was a very specific question. Were they allowed to come down from the roof and then go back without interference?

The SPEAKER: I would suggest that this is an occasion when, if people would stop interjecting and actually listen, they might actually receive a response to their question.

Opposition members interjecting—

The SPEAKER: All the interjections upon my utterances are well and truly appreciated, but it would help from time to time if ministers were heard in silence when responding.

Mr BOWEN: As I was saying, the government took the advice of the Australian Federal Police about how to best manage what was a difficult situation, as I think the member for Cook would do if he were to hold the office I hold. If he were not to do that, if he ignored the advice of the Australian Federal Police, he would not be fit to hold the office that I hold. It was clearly the case, as I have previously said publicly, that the three detainees who were on the roof also accessed the roof cavity. I have said that publicly before. I am sure the member for Cook reads transcripts of my radio interviews. I have also made it clear that I authorised the appropriate use of force if the safety of the officers using the force could be guaranteed and could be justified. I made it very clear that the use of force was authorised by me if appropriate and if regarded by the Australian Federal Police as being safe.

Narrabri to Wellington Gas Pipeline

Mr WINDSOR (New England) (14:50): My question is to the Minister for Sustainability, Environment, Water, Population and Communities and relates to four potential routes for a gas pipeline between Narrabri and Wellington by Eastern Star Gas. Given that all these options have caused angst and concern for those who live and work on the magnificent floodplains of the Liverpool Plains, is the minister aware that a fifth option exists, along the Newell Highway, which is supported by the community and has no detrimental environmental impact on the floodplain? Will the minister inspect all these sites prior to endorsing any options?

Mr BURKE (Watson—Minister for Sustainability, Environment, Water, Population and Communities) (14:51): I thank the member for New England for the question. There are a number of referrals that have come with this gas project around the Liverpool Plains. The reference that the member for New England has made to a fifth pathway for the pipeline is not among the referrals that have come to my department. At the moment there are four separate referrals before the department. Three of them are decisions due this week as to whether or not they get called in for full approval. If they get called in for full approval then, in all probability, that will end up coming directly to me rather than being dealt with by my delegate. When the decisions are dealt with, they will not be able to deal with the full range of issues which sometimes come up through public debate. They are environmental approvals and have to be made under the EPBC Act under national environmental law.
Some of the pathways for these pipelines proposed at the moment do have issues that relate to some national environmentally listed species. There are issues with respect to the swift parrot and some gum woodlands listed that would be relevant to some of the pathways. I would be surprised if those issues were relevant to a pathway along a highway that the member for New England has referred to but, as I say, that is not among the referrals that have come to me.

When the department makes a decision as to whether or not it needs to be dealt with under national environmental law, if it is decided that that is not required, then it will not be dealt with by me any further. If it is called in for full referral, then those decisions will be made in accordance with the law and there will be opportunities for public discussion and input during those processes.

Asylum Seekers

Mr HAYES (Fowler—Government Whip) (14:53): My question is to the Minister for Immigration and Citizenship. What are the benefits of the government's transfer arrangement with Malaysia, how has this announcement been received and what is the government's response?

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (14:53): I thank the member for Fowler for his question. The government has consistently said that it will pursue an international agreement to break the business model of the people smugglers and that is what the Gillard government has delivered. We have consistently said that we needed an international solution to an international problem and that is what the Prime Minister's of Australia and Malaysia have committed to agree to.

People smugglers now need to find 800 volunteers to part with their money, to risk their lives, to come to Australia only to return to Malaysia. Interestingly, Malaysia is the point of entry for most asylum seekers who come to Australia by boat. This is where they normally begin their boat journey. So why would you part with your money and risk your life to be returned to where you started?

Of course, the government has also used this opportunity to increase our refugee intake and to assist Malaysia with the challenges of managing the 92,000 registered asylum seekers in Malaysia. We will, over the next four years, take 4,000 refugees who have been processed and mandated by the United Nations in Malaysia. I note that this has come in for some criticism from the opposition, from the Leader of the Opposition in particular and from the member for Cook. The Leader of the Opposition says it is a bad deal and that we do not have a good enough deal. The Leader of the Opposition knows a bit about making deals when it comes to asylum seekers. We know he offered to double the refugee intake to the member for Denison in return for one vote on the floor of the House of Representatives. That would have been a bad deal. That would not have been a good negotiating tactic on behalf of the Leader of the Opposition.

We also see that the member for Cook has been criticising this arrangement. On one level that is his job as the shadow minister for immigration. But I must say I was a little surprised to see that. The other option available to the member for Cook would have been to claim credit for the idea. He could have said, 'Actually, this was my idea,' because, when the member for Cook saw the announcement on Saturday—I am sure he was sitting at home watching it on television—I am sure his mind went back to the speech he made on 30 November last year which was very modestly entitled 'A
real solution: an international, regional and
domestic solution to asylum policy'. The
international component to the member for
Cook's solution was in his words, 'a trade-
off'. He said:

In my view, Australia’s participation in a regional
solution for Afghanistan should seek to trade off
Australia taking more refugees out of the camps
in countries of first asylum in that region in return
for the ability to return those who have sought to
advantage their asylum claims through illegal
entry to Australia, to those same camps or other
safe places established for that purpose, as part of
the regional solution.

'To take more out of refugee camps,' the
member for Cook argued. He went on to say:

Under this proposal—

It was a good speech, Mr Speaker—

Australia would continue to honour our
obligations under the Refugee Convention, but
use the safe third country provisions provided
under the Migration Act ...

When I heard and read that speech of 30
November last year I thought, 'He's onto us.
He's onto our idea we are pursuing.' In
fairness, he suggested that this deal should
be done with Iran. I will leave the member
for Cook to explain why Iran makes more
sense than Malaysia. The people smugglers
should be under no illusions. We will do
what it takes to break the people smugglers
business model.

**Asylum Seekers**

Mr KEENAN (Stirling) (14:57): My
question is also to the Minister for
Immigration and Citizenship. Why did it take
the New South Wales police just three hours
to forcibly remove protestors from the roof
of the minister's own electorate office
compared with 11 days for detainees to come
down from the roof of the Villawood
Detention Centre during recent riots?

The SPEAKER: I think that the first part
of this question is actually problematic,
because I am not sure whether it is in the
province of the minister but I will allow the
question.

Mr BOWEN (McMahohn—Minister for
Immigration and Citizenship) (14:58):

Police forces, whether state or federal, when
making decisions on operational matters,
take into account all the evidence before
them as to what is safe in the circumstances.
If the member for Stirling is suggesting that
he understands the situation better than the
Australian Federal Police on the ground, if
he is better qualified to make those
judgments than the experts who make those
decisions every day and the people who risk
their lives in those situations, then he should
explain that to the Australian Federal Police.

**MOTIONS**

Asylum Seekers

Mr ABBOTT (Warringah—Leader of the
Opposition) (14:59): I move:

That so much of standing and sessional orders
be suspended as would prevent the Member for
Warringah moving immediately—That this
House suspend proceedings forthwith so that the
Prime Minister can stand before the Parliament
and explain why:

(1) the Prime Minister refuses to consider an
offshore detention centre in Nauru because, as she
said in an interview on 8 July 2010, "I would rule
out anywhere that is not a signatory to the
Refugee Convention" yet now plans to send
asylum seekers to Malaysia who hasn’t signed it
either;

(2) the Prime Minister decried the use of Manus
Island and the Howard Government’s so called
"Pacific Solution" as “costly, unsustainable and
wrong as a matter of principle" in 2003 yet is now
desperately negotiating with the PNG
Government to re-open Manus Island;

(3) the Prime Minister has damaged our national
interest by agreeing to a deal with Malaysia that
will see us accept five of their refugees for every
one of the asylum seekers we send to them – with
Australian taxpayers footing the complete bill;
(4) the Government allowed three people, identified by the NT Coroner as responsible for the fire aboard the people smuggling boat, SIEV36 which killed five people and injured 40, to be granted permanent residency in Australia;

(5) it took only three hours for the NSW police to remove protestors from the roof of the Immigration Minister’s office yet no action was taken against protestors on the roof of Villawood for 11 days;

(6) rioters at Christmas Island faced no penalty for burning down buildings and risking the lives of people at the facility;

(7) the Prime Minister promised an East Timor solution before the election knowing very well that it was opposed by the Government of East Timor and was nothing more than a dishonest election smokescreen; and

(8) the Prime Minister doesn’t just come clean and reinstate the Howard Government policies that worked rather than try to maintain this elaborate fiction that Labor has a plan to stop the boats.

This is a tragedy for our country. The Howard government found a problem and created a solution. The current government has taken that solution and turned it into a tragedy for this country, for our region and for the boat people themselves. The Prime Minister might turn her back on me, but she should not turn her back on this problem, which is of her making. She should turn around and face this problem, not try to shuffle it off to Malaysia, which she is trying to do right now.

This is a very serious problem, and it is not helped by sanctimony and self-righteousness of the type that this Prime Minister has shown in question time today. Since she became the Prime Minister, we have seen more people than ever coming illegally by boat. We have seen further suffering and, I regret to say, further deaths and all this Prime Minister can do is come in here and engage in the kind of sanctimony and self-righteousness that we saw from her earlier today. We do not want sanctimony, Prime Minister; we want solutions. That is what we want, and that is what we are not getting from this government.

Let us be clear on how the Howard government stopped the boats. We stopped the boats with Nauru, with Manus, with temporary protection visas and with a willingness to turn boats around where it was safe to do so. I call on the Prime Minister to swallow her pride, to end this stubborn refusal to do what works and to pick up the phone to the President of Nauru and reopen the centre there. Since this Prime Minister has come to office, we have had almost three boats a week—that is, three boatloads of suffering humanity, three boatloads of people exposed to death on the high seas because of the policies of this government.

This is a problem that is going from bad to worse, and it is going from bad to worse because of the incompetence and the untrustworthiness of this government and in particular this Prime Minister. Let us remember back to that day, 24 June, when the Prime Minister made her 'the government has lost its way' speech. I say to the Minister for Foreign Affairs: do you remember that day when the Prime Minister said that the government had lost its way? He is pretending to have a conversation with the Minister for Infrastructure and Transport, but he is marking every single word of mine. This Prime Minister said that the government had lost its way and that one of the things she was going to fix was the boat people problem. How did she fix this? She fixed it by promising before the election an East Timor detention centre that she had not even bothered to pick up the phone to the President of East Timor about. What incompetence, what ineptitude and, in the end, what absolute deceit of the Australian people on the eve of an election.
We now know that the East Timor detention centre has sunk without trace somewhere in the East Timor Sea, as it always was going to. It was yet another example of the incompetence and the untrustworthiness of this weak and indecisive Prime Minister. But it just goes from bad to worse. This Prime Minister has the Midas touch in reverse when it comes to public policy. Late last week she rushed out into the media—or had her briefers rush out into the media—to say, 'We have an answer: it's Manus Island.' That was the answer. This is the same Prime Minister who had said of the Howard government's Manus and Nauru detention centres that they were 'costly, unsustainable and wrong in principle'.

The Prime Minister is carefully studying her notes and pretending to write on a piece of paper. What she is writing is, 'What the hell do I say now? How do I answer this?' How do you answer it, Prime Minister? How could something that was costly, unsustainable and wrong in principle be wrong for the Howard government and right for her? It is simply impossible to justify, other than by concluding that this is a Prime Minister utterly without conviction or consistency.

But it gets worse. The Manus solution was unravelling within 24 hours of its announcement. And so at three o'clock on a Saturday afternoon, the week before the budget, she rushes out into the prime ministerial courtyard to say, 'We've got another plan. Manus isn't working; we've got a new plan. It's great! We are going to send one of ours to Malaysia and they're going to send us five of theirs!' A great deal for Malaysia; a terrible deal for Australia.

The Prime Minister thinks that, because the member for Cook thought a one-for-one swap might not be a bad deal, one for five must be even better. Really and truly: she is some negotiator! It originally started at one for one, then it became one for two and finally she settled on one for five. The longer she talks, the worse it gets—and we pay for every single one of them with borrowed money.

Not only is this against our national interest but it is hypocritical. Remember the reason the Prime Minister gave for not being able to pick up the phone to the President of Nauru? That Nauru has not signed the UN convention. I have news for the Prime Minister: Malaysia has not signed the UN convention either. Doodle something on your notes, Prime Minister! How do you answer that one? That cannot be answered either.

Finally, let me make this point: it simply won't work. It is absolutely crystal clear that Malaysia are not going to accept any 800 people. They are going to decide the 800 that come to their country and the circumstances under which they come, and they are going to leave the ones they don't like here in Australia, waiting to be dealt with by this Prime Minister. The other point I make is that plainly she is not going to send women and children back, which just gives the people smugglers another product to sell. It is weak and indecisive, from a bad government getting worse.

The SPEAKER: Is the motion seconded?

Mr MORRISON (Cook) (15:09): I second the motion. After selling the Nine Network to Alan Bond for a billion dollars and buying it back three years later for a quarter of that price, Kerry Packer once famously said, 'You only get one Alan Bond in your lifetime.' Well, Malaysia only gets one Julia Gillard. The great negotiator must explain to this House why she was completely rolled by the Malaysian government, who clearly saw this desperate Prime Minister coming—selling out Australia's interest in a fit of panic and desperation, as her government has lurched.
from crisis to crisis on our borders and in our detention centres.

Under the Prime Minister's panicked deal—five-for-one refugee swap—as the Leader of the Opposition said, we will send 800 to Malaysia at a cost of $95,000 each. We will pay for the privilege of taking back 4,000 at $54,000 each. These will be added to our existing program of refugee and humanitarian entrants, a program which is strongly supported by this side of the House, and the settlement services that support it. But it is a program under which, at its current level of intake, after five years one in three have a job and more than 80 per cent are still on welfare—and they want to add another 4,000 to the government funded program.

The other point is that on the weekend the Prime Minister said: 'It is 800 to be used as we want to use them.' Well, it is clear from today's reports that she did not read the fine detail, because clearly Malaysia, at the end of the day, will veto who gets to come to Malaysia—and, as the Leader of the Opposition said, not just who gets sent to their country, not just the circumstances in which they get sent, but how much the Australian taxpayers are going to pay for that privilege. The only big winner tonight from this government's federal budget will be the Malaysian government. They are the big winners. They are the ones who have secured the big deal out of this government with this five-for-one refugee swap.

On this deal, this Prime Minister needs to explain many things, because this deal just has not landed yet. Like all of the other things we have heard them bring into this place, the detail just never comes. And when it finally gets trawled over, the whole thing just unravels. We still do not know, as the Deputy Leader of the Opposition put to the Prime Minister today, whether children will be returned under this deal. No answer today. Who will monitor the welfare of the 800 returned to Malaysia and how, and who will pay for this monitoring? How will they ensure that those sent back to Malaysia do not find their way back into the people smugglers' queue and on another boat back to Australia? How will they be sent to Malaysia? The minister said on the weekend that it is an operational decision whether they will be sent by boat or by plane. Has the government got a firm commitment out of Malaysia that we will not have a repeat of the Oceanic Viking debacle, when people refused to get off the boat and the former Prime Minister cut a special deal with those asylum seekers on that boat that we all remember too well—and that, frankly, amongst other poor decisions of this government, set this whole crisis into the making?

This is a stopgap measure. It is a one-off desperate deal, a bilateral deal with one country, good for a dozen boats and then it is back to business as usual under this government—business as usual under which 224 boats arrived on their watch, business as usual under which over 11,000 people can turn up. We have 6,800 people in detention; half of them have been there for more than six months, and that includes a thousand children under this government's policies. That is their record.

What we have seen from this government is a series of bad decisions. This is just the latest. The first one, we will remember, was the asylum freeze, which this Prime Minister described at the time as being a deal in the national interest. It resulted in 58 more boats coming, carrying 2,800 more people. It resulted in a doubling of the number of people in detention and a tripling of the processing time, which I am sure has played a significant role in the riots we have seen.
Then there was the never-ever East Timor processing centre, the other great solution to this problem. Now we have the Malaysian people-go-round. This is a government that does not have the policy, that does not have the resolve and that does not have the necessary ticker to deal with this issue. 'Ticker' means strong decisions. You have the policies in front of you from the opposition; it is time to implement them.

(Time expired)

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (15:14): I rise to reject this proposed suspension of standing orders moved today by the Leader of the Opposition. I state to the House that today we have made a little bit of history, because today is the budget day. Today is the day when, for every year since Federation, the opposition have come into this chamber and raised questions about the macro economy; they have raised questions about employment settings; they have raised questions about spending; they have raised questions about revenue; and they have raised questions about the fiscal state of the economy. But we have seen today for the first time in our history an opposition come into this chamber on budget day and not ask a single question about the economy. They regard the economy as something boring. How do we know that? Because Peter Costello in his book nailed the Leader of the Opposition when he said that the Leader of the Opposition was—

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

Mr Abbott: Reluctantly, Mr Speaker. I would imagine that this is way outside the standing orders. It has nothing to do with the subject matter of the suspension and it has nothing to do with why it is urgent.

The SPEAKER: Order! The Leader of the Opposition will resume his seat. I will take a little bit of time and I apologise to the Leader of the House. I can tell you that this is the last suspension of standing and sessional orders where I will allow the purpose of that suspension to be the debate. From now on I will draw both the proposer and the seconder back. On that basis, that is why the Leader of the House is in order.

Mr ALBANESE: Hypocrisy, thy name is Abbott!

Honourable members interjecting—

The SPEAKER: Order!

Mr ALBANESE: They come in here and they refuse to debate the economy. They come in here and every day at 10 minutes to three they move a suspension, because this is the first opposition that have chosen not to even try to hold the executive to account. That is the purpose of question time. The purpose is to come in here and ask questions of the executive about the functioning of the government. But those opposite have given up on that. Perhaps Play School was not on today, because the Leader of the Opposition was 10 minutes late in his motion for suspension. And they are not fair dinkum, because they did not even ask for leave to move a motion. They just went straight to the moving of a suspension and, then, between the mover and the seconder of the motion, neither of them addressed why the suspension should occur.

There are two fundamental reasons that the suspension should not occur. The first is that today is budget day. Today is the day when Australians want to know about the economic future of this country. They want
to know about employment settings and they want to know about how the economy will be set for this year and years into the future. They want to debate those issues.

Mr Morrison interjecting—

The SPEAKER: The member for Cook.

Mr ALBANESE: The second reason it should be rejected is that the member for Cook has lodged an MPI about this very issue. So, straight after question time today we will have a debate on this issue and the member for Cook will have 15 minutes to add to his five minutes and the minister will be responding to that MPI debate.

But those opposite will do anything rather than debate the economic future of this country. And it is not surprising, as we know from last year's budget reply, where they handballed off the costings of their budget response from the Leader of the Opposition to the shadow Treasurer to the shadow finance minister and to that great moment with the staffer. I wonder if that staffer is still around. I suspect that might be one fewer person employed by the those opposite after that event.

The Leader of the Opposition has a big challenge on Thursday night, which is to actually put forward an alternative strategy on the economy—put it forward without the $11 billion black hole that was in their costings during the election campaign. It is extraordinary. They oppose all of the savings measures made by those on this side of the House. They did everything they could to stop savings measures in the area of health to create space for the reform of the program and the national reform of health undertaken under the leadership of the minister for health. They did everything possible to block that, but at the same time they go around the country and make promise after promise. Barely anyone on their back bench has not made a promise in my portfolio of transport, from a local road to a local railway line. But they never actually say where the money will come from.

Their fiscal credibility was blown apart after the election, and today's performance in question time and in moving this suspension shows that they have learnt absolutely nothing when it comes to dealing with the economic future of this country. Indeed, when the government put forward our economic stimulus plan two years ago in the 2009 budget, the Leader of the Opposition said:

I think what we are going to get is massive debt and a deep recession.

The Deputy Leader of the Opposition said:

It will certainly not ward off recession.

The fact is that our economic management of this country did prevent a recession. It did help to create 500,000 jobs. We have an unemployment rate in this country with a four in front of it—the envy of the industrialised world. We are continuing to build the infrastructure that the economy needs to run faster and smarter. Tonight's budget will see the Treasurer continue with that good and sound economic management to deliver for the Australian public. Thursday night is the time for the Leader of the Opposition to put his money where his mouth is. They have gone round the country making promises about the inland rail line, the Pacific Highway, the Bruce Highway—it goes on and on. Will they deliver this on Thursday night? We know that last time there was an $11 billion black hole. We have to see from the opposition leader serious, credible and properly costed proposals in the budget reply on Thursday.

Let us take just one issue that has been the subject of some debate in today's newspapers: the issue of the provision of support for pensioners to deal with the transfer to digital TV.
Dr Emerson: They are against that.

Mr ALBANESE: The minister says that they are against that. Actually, the member for Mayo had this to say on 25 May 2009 in this House when speaking on legislation:

It is right that the government does help Australians, particularly those at the lower end of the income scale, to switch over to digital TV. Indeed, Senator Minchin, the mentor of the Leader of the Opposition—or one of them—had this to say in the Senate on 18 June 2009:

The coalition supports this amendment ...

For eligible households in Mildura, such as pensioners, this measure will provide some certainty about their capacity to access and utilise the equipment needed to view a digital picture.

But on Sunday when asked about the government actually doing something about it, the shadow Treasurer said, 'We wouldn't be spending so much money.' Does that sound familiar? We can go back to the comments by the Minister for Immigration and Citizenship. They were talking about us having a transfer agreement, but when it is actually real and happening it suddenly becomes bad and so they oppose. They are caught up in that.

One thing that I learnt growing up in a household with an invalid pensioner as a mum—one thing that was taught to me every budget day and every day of my life—is that it is only Labor that looks after pensioners and low-income earners, and we will see that again because those over there are only interested in looking after the entrenchment of privilege. Those opposite continue to oppose the sort of reform that has seen our economy looked after in the interests of all Australians. Question put:

That the motion moved by the Leader of the Opposition be agreed to.

The House divided. [15.29]

Ayes 70
Noes 71

Majority 1

Ayes .................70
Noes .................71

Majority.............1

AYES
Abbott, AJ
Andrews, KJ
Baldwin, RC
Bishop, BK
Briggs, JE
Buchholz, S
Christensen, GR
Cobb, JK
Crook, AJ
Entsch, WG
Forrest, JA
Gash, J
Haase, BW
Hawke, AG
Irons, SJ
Jones, ET
Kelly, C
Ley, SP
Marino, NB
Matheson, RG
Mirabella, S
Moylan, JE
O'Dowd, KD
Prentice, J
Ramsey, RE
Robert, SR
Raddock, PM
Secker, PD (teller)
Simpkins, LXL
Smith, ADH
Southcott, AJ
Tehan, DT
Tudge, AE
Van Manen, AJ
Washer, MJ

NOES
Adams, DGH
Bandt, AP
Bowen, CE

ALBANESE, AN
Bird, SL
Bradbury, DJ
Ms GILLARD (Lalor—Prime Minister) (15:31): In the absence of the opposition having any question on the economy, jobs, health or education, I ask that further questions be placed on Notice Paper.

**DISTINGUISHED VISITORS**

The SPEAKER (15:32): Whilst people are milling in the aisles, I indicate that one member of the public gallery did give me tremors but I acknowledge—so that everybody else can feel comfortable—that the former member for O’Connor, Wilson Tuckey, is in the gallery today. I welcome him back as a visitor, and I am sure that the House joins with me in warmly welcoming him back.

Honourable members: Hear, hear.

**BUSINESS**

The SPEAKER (15:33): In view of the significance of proceedings tonight and on Thursday night, and the need to ensure that the dignity of the House is protected, I wish to make some general remarks for the information of members to ensure that proceedings and arrangements for the chamber galleries for the budget tonight and budget reply night on Thursday run smoothly.

As with any other proceedings of the House there is the principle that any member with the call is entitled to speak without interruption. The Chair will take the necessary action to ensure that is the case for both addresses. Where appropriate I will take action under standing order 94(a) and will advise any offending member by written note. Any further action that I consider warranted will be initiated at the commencement of the next sitting day. I ask members to ensure that their guests arrive at the galleries in a timely way for the addresses. Guests should arrive at the galleries about 30 minutes prior to the budget speech to ensure they can undertake the security clearance and be seated in the galleries in a timely way.

I trust that there will be cooperation from members and from their guests in the galleries and that budget night and budget reply night will proceed smoothly for the benefit of the House and for those watching and listening to proceedings.
AUDITOR-GENERAL'S REPORTS

The SPEAKER (15:34): I present the Auditor-General's audit reports Nos 35-39 of 2010-11. Details of the reports will be recorded in the Votes and Proceedings.

Ordered that the reports be made parliamentary papers.

DOCUMENTS

Presentation

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (15:34): Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings and I move:

That the House take note of the following documents:


Department of Broadband, Communications and the Digital Economy—Investigation into access to electronic media for the hearing and vision-impaired—Media access review final report, December 2010—Correction.

Department of Finance and Deregulation—Campaign advertising by Australian Government departments and agencies—Half yearly report for the period 1 July to 31 December 2010.


Debate adjourned.

MATTERS OF PUBLIC IMPORTANCE

The SPEAKER (15:35): I have received a letter from the honourable member for Cook proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The failure of the Government to address their border protection failures with clear permanent, proven and consistent policies.

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

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

Mr MORRISON (Cook) (15:36): The matter of public importance today sets out a very clear theme that we commend to the government to try to adopt, and that is to have clear, permanent, proven and consistent policies in dealing with what has become a crisis and mess of their own making when some almost three years ago this government decided to abolish the strong border protection regime that they inherited from the previous coalition government. The record since that time speaks for itself: over 11,100 people have arrived illegally by boat and we have had over 224 boats arrive during that period. We now have over 6,800 people crammed into detention centres. We have had a government that has announced and/or built some 7½ thousand new beds only to have some of those beds withdrawn later because of riots. We have a budget which has blown out by $1.43 billion and counting. These are the failures of a government that had decided to destroy, dismantle, and remove a border protection regime that was working. As we have said so many times, they took a solution and created a problem. The answer to this is not to engage in half-hearted half measures. The
The best way I could describe this government's approach to this crisis of their own making is 'directionless'. You could even say this government were 'rudderless' when it came to how they approached matters before this parliament. We have seen this government on what has been a painful and endless expedition to the blindingly obvious. This is a government that, inch by inch, admit their failures for abolishing the scheme they inherited and start to touch on—each day, each week—elements of those solutions but with the lack of a position from which to admit their mistake, be honest with the Australian people and say: 'We got it wrong. It is now time to restore what we took away.'

As I outlined earlier to the House, this government have had several goes at addressing these issues. The first one was of course the asylum freeze introduced in April 2010—a discriminatory asylum freeze that led to chaos in our detention network. We then had the East Timor never-never solution, which proved to be just that despite even most recently both the minister at the table and the Prime Minister claiming that it was still on. We had the Prime Minister forcing regional leaders to go through this endless procession; to run this gauntlet of polite conversation. They had to amuse themselves as they listened to this proposal, which was clearly a farce. Now, finally, the Prime Minister at the weekend admitted that it was unlikely to happen. I suspect that is the biggest admission of failure we will get from this Prime Minister.

Now we hear that they are going to re-engage the Pacific solution. But what we have said to this government all along is, 'If you would like to adopt our policies then don't do it in half measures.' The people smugglers are unconvinced by half-hearted measures from this government. They are unconvinced by a government that goes for the quick political fix rather than committing to policies that have been proven to work. The government is going to embrace a policy solution ultimately, in the fullness of time, when we have spent millions and millions more, and more and more people have arrived, and more and more people have gone into detention, and the costs have continued to escalate as they have. It will eventually get there, I am sure, but the process will be painful. And not only will it have to admit that those policies were right but it will have to walk back from policies that it not only criticised but also demonised.

I heard Michael Kroger say at the weekend that this government should take out a full-page advertisement and apologise to the former Prime Minister John Howard and, in particular, to the father of the House, the member for Berowra, the Minister for Immigration and Ethnic Affairs at the time, and say: 'You know what? We got it wrong. You were right all along.' As we see the government inch closer and closer to the policies they know they have to reintroduce, though they cannot swallow their pride to do it, we see this farce continue. This was, or rather is—I wish it was in the past tense but sadly it is still the present tense—a government that has a Prime Minister who said that Labor would end the so-called Pacific solution, the processing and detaining of asylum seekers on Pacific islands, because it is costly, unsustainable and wrong as a matter of principle. She also went on to say, 'We know it delivers absolutely no outcomes.'

The predecessor of Mr Bowen, the Minister for Immigration and Citizenship at the table, issued a statement on 8 February 2008 which went into the outcomes of the
Pacific solution. That statement said that of the 1,637 people who were detained on the Nauru and Manus facilities, 705 people were resettled in Australia. That does not sound to me like an overwhelming majority. It actually does not sound like a majority. In fact, it is not; it is 43 per cent. Fewer than one in two people who were subjected to the Pacific solution as implemented by the previous government ended up in Australia. But this government likes to parade around saying, 'They all ended up here.' It is simply not true.

The other thing they like to talk about is that it was ineffective, but we know that in 2001 there were 43 boats that arrived. Then we introduced the Pacific solution on the back of temporary protection visas. How many boats were there in 2002? None, absolutely none.

This government also says the Pacific solution was costly. How much did it cost? The cost, according to the former minister, Senator Evans, was $289 million. That figure rings a bell because when this government came into this House in February this year and said, 'Can you top up our current year’s budget?' how much did they ask for? It was $289.5 million. It also rings a bell because there is a figure just slightly higher than the $289 million it cost to run the Pacific solution, and that is the $292 million that it will cost to implement the five-for-one swap that this minister has so bravely negotiated. When he went to that table he started off with a one-for-one and he walked away with a five-for-one. If he had been in there another week it would have been 10 for one. The Malaysians must be beside themselves. If we had only asked for 10 for one, I am sure they would have agreed to it. They could see the veins popping out of the minister opposite, and the Prime Minister back here in Canberra saying 'Do whatever deal you can; pay whatever price is necessary' and that is what they have paid--$292 million.

It is not them who are going to pay it. It is the taxpayers of this country who are going to pay it. That is why the biggest winner in tonight's budget will be the Malaysian government, courtesy of the minister opposite who is happy to spend this much money on one deal to deal with about 12 boats. What happens after those 12 boats? It is business as usual, and we all know what happens with 'business as usual' in this area under this government. The hypocrisy on this issue is staggering. Why wouldn’t they go to Nauru? That was put to the minister opposite and it has been put to the Prime Minister on many occasions. The answer, with hand on heart, has been, 'Because they are not signatories to the UN convention.' As we know, they are now going to send 800 asylum seekers, who are on their way to this country, to Malaysia, which is not a signatory to the United Nations convention and protocol on refugees.

The motion for debate in this matter of public importance today talks about consistency. This government, for all their other failures, have failed more in this area than anywhere else. There is a clear lack of consistency. They simply have nothing to guide and direct them in responding to these matters. They simply make it up as they go along. It is woolly-headed. It is unsophisticated. There is no clear sense of purpose or direction. But guess what? The people smugglers get it. They understand that this government is fuzzy when it comes to this issue. This is a soft government when it comes to this issue. It is a weak government when it comes to this issue. The people smugglers have the measure of this government. To quote the minister at the table who said, 'The people smugglers got the right minister and they got the right government'—in terms of what they wanted.
The people smugglers have been making money ever since, whether from this minister or his predecessor, or from this Prime Minister or her predecessor. Whatever shade of red you want to give it, this is what people smugglers have got from this government and it is exactly what they are looking for.

Malaysia is not a signatory to the refugees convention. The minister's excuse for not picking up the phone and calling Nauru is vacant. He also said, 'Nauru won't work if the offshore processing centre at Nauru is run by Australians.' In defending the arrangement he is apparently negotiating with Papua New Guinea—and I hope he strikes a better deal there than the one he made with Malaysia, otherwise we better get the cheque book out, big time—on 7 May, he said, 'Discussions are continuing with Papua New Guinea but the basis of those discussions is that we will create an assessment centre and'—yes—'it will be staffed by Australian officials.' So the minister has given two big excuses for not going to Nauru but he has capitulated.

I can only think of one reason that this minister will not pick up the phone and call Nauru—that is, the pride of this government. This government refuses to acknowledge that they got it wrong when they opened the borders. As my colleague the member for Mackellar often says, 'This is not failed protection policy; this is an open borders policy from this government.' When you have had 224 boats turn up and more than 11,000 people, I think she has a good point. This is an open borders policy from this government that is cheered along by the Greens, who form the key support, the anchor, for this government being in office.

I mentioned before that this crisis has had an extraordinary impact on the budget: $1.43 billion and counting in terms of the blow-out in costs of offshore asylum centre management, including capital expenditure of some $376 million—what I and others can only describe as a building the detention centre revolution. Seven and a half thousand beds were announced. I notice that in the last few days the minister is starting to back down on that number—whether it is at Pontville or at Northam. Minister Bowen, who is at the table, is nodding that Pontville is still on track. That is news to the people of Pontville. I am sure they will be thrilled to hear it. I am sure they will be overjoyed. In Northam, where they have problems with cockatoos and various other things, I understand they are now backing down. They will still need the beds because they have closed 850 beds on Christmas Island following the riots. That is what I want to turn to now.

In the budget tonight, I am expecting the government to spend as much next year, and budget for that, as they have this year—if they tell the truth, and it is a big if when it comes to this government. There is no way that this government can pass off to the Australian people that they could not spend that much and that they will not need to spend that much. I expect there will be a blow-out of half a billion dollars in the current forward estimates. On top of that, we will have the cost of that magnificently negotiated deal by the government of $292 million. We can expect somewhere in the vicinity of $800 million as a further blow-out on top of the $1.43 billion.

This government should admit its earlier mistake and put the border protection regime it inherited back in place, and there would be about 2.2 billion reasons for health programs, particularly mental health, education and other programs right across the spectrum of government—not the least in government taxes that would not be needed.
The riots overseen by this minister in particular are the result of this government's devastating policy failure. The government lack resolve—whether it was Minister Rudd when he was Prime Minister doing a special deal with those on the Oceanic Viking or Minister Bowen allowing detainees to sit on a roof for 11 days while he did nothing. This government simply do not have the resolve.

It is a government which is all carrot and no stick when it comes to border protection. It is a government that have allowed chaos to enter the detention network. It is a government that have a minister who thumps the table loudly and says, ‘We will use the general conduct test under section 501 of the act.’ Yet, when he was presented with the convicted rioters at Christmas Island in November 2009 he had the opportunity, but he did not deny their visas under the general conduct provisions. The minister knows he had the power to do it and he failed the test.

This government continue to fail the test of resolve on border protection. This minister in particular has proven time and again when given the opportunity that he has no ticker when it comes to protecting our borders and protecting the integrity of our immigration system.

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (15:51): There are some things in this debate that the member for Cook and I agree on. The member for Cook and I agree that the business model of the people smugglers should be broken. We have different ways of expressing that. He talks about sugar on the table. He talks about pull factors. He calls people who arrive by boat illegal immigrants; I don't. But I think we do agree that we should break the business model of the people smugglers. We disagree, however, on methods to do that. I think he and I agree that boat journeys to Australia are dangerous. I think everybody would agree with that—every member of the House and almost every member of the community, I am sure, would agree with that, apart from a few extremists.

The government should take action to discourage those sorts of journeys. The government should take action to make sure that people realise that that is not the answer to their problems and that the risks and costs to be paid are not worth it. I think the member for Cook and I would agree that we should not just focus in this national discussion on the people who happened to make it by boat to Australia but have a broader discussion about the hundreds of thousands of displaced people and refugees and asylum seekers in our region and about the 42 million displaced people around the world. I think the member for Cook and I, in our quieter moments, would agree on that.

As an aside, one of the things I have been glad about over the last few days has been some of the coverage in the newspapers about the difficult circumstances faced by asylum seekers in our region who do not get on a boat and come to Australia. Perhaps some of that coverage has reminded some Australians who are concerned about these issues that we do need to focus on those people as well.

But, as I said, the honourable member for Cook and I disagree on other things—about the methods to be employed. The member for Cook outlined the coalition’s policy. They would introduce temporary protection visas. I understand the rationale for their introduction; I understand the previous government was searching around for solutions. I am not critical of that. But the evidence is there—when temporary protection visas were introduced, the number of people who arrived in Australia by boat increased in the two years that followed, including the number of women and children who arrived by boat. It is at least arguable that temporary protection visas, because they
remove the right to family reunion, encouraged women and children to get onto boats. That is at least arguable.

We again hear the opposition say their policy is to reopen the Nauru detention facility. That is a well-known policy. If you asked the member for Cook any question over the last 12 months, his answer was ‘Nauru’. It does not matter what the question is, his answer is ‘Nauru’. On Thursday night the Leader of the Opposition will rise in his place and he will deliver the opposition’s reply to the budget. The Leader of the Opposition will outline an alternative approach, an alternative budget, and no doubt matters will be mentioned in that response. If the Leader of the Opposition is fair dinkum, he will outline the costs of reopening the Nauru centre—operational and capital—and he will include those costs in the alternative budget of the opposition. The member for Cook says there is a detention centre there, ready to go, as though it could be opened for nothing. He could run it for nothing too, I presume. So they should tell us the costs of doing it—I have a pretty good idea of what they would be, and they are not small. We recall that after the opening of Nauru detention centre, which had a capacity of around 1,500 people, I think the member for Berowra would agree, 1,700 people still arrived in Australia by boat. Another point I disagree with the member for Cook about concerns his figures about where the people on Nauru ended up. If you look at the number of people who were accepted as refugees, 70 percent were resettled in Australia or New Zealand and now live in our community on permanent visas—they are permanent residents of this country. That does not break the people smugglers’ business model. Of the 800 we send to Malaysia, zero percent will be returned to Australia to be permanently settled here. This is the difference between the approach of the honourable member for Cook and me—the approach of the opposition and the government.

The third element of the policy is to turn back the boats. We heard a lot about this in the election campaign. We had the boat phone. The Leader of the Opposition, the alternative Prime Minister, was going to sit in Kirribilli House and issue instructions to the Navy while the member for Cook issued instructions to the Federal Police about how to do their jobs. The former government did turn some boats around, but what happened? It became unsafe to continue to do so, and we now know that Indonesia will no longer allow that to occur. If you turn back a boat, you have to have somewhere to turn it back to. Indonesia’s minister for foreign affairs said in response to the Leader of the Opposition’s policy:

I think going to this kind of approach of simply pushing back the boats to where they have come from would be a backward step. It would not be a useful step because it would be inconsistent with that approach [of] having the three elements of origin, transit and destination countries working hand in hand.

I do grant the member for Cook this, even though the foreign minister of Indonesia was specifically talking about the policies of the leader of the Liberal Party, not the government, as the member for Berowra should recall: turning back the boats did remove the incentive to come to Australia. It meant people were returned to their point of transit. That is what this transfer agreement that has been negotiated between these two governments achieves as well. Of the asylum seekers who come to Australia by boat, the vast majority begin their boat journey in Malaysia. They come by boat through Indonesia to Australia. If you come by boat from Malaysia through Indonesia to Australia, you get to Australia and you get returned to Malaysia. That breaks the people
smugglers’ business model. That means you are back where you started your boat journey. It means that people smugglers need to find 800 volunteers to say yes, they will pay their money, they will risk their lives, they will get on the boat, and then they will enjoy the plane trip back to Malaysia—not a very enticing prospect. Our message is clear to people who are considering a boat journey to Australia: do not do it. It is not worth the risk, it is not worth the money and you will be sent back to Malaysia. The outcome that you are after is far from guaranteed; you are not likely to get the outcome you are after because you will be returned to Malaysia. I make this point. In the next four years, Australia will take 55,000 humanitarian entries, 55,000 refugees, as part of our normal program before this increase—that is, 13,750 a year—in return for absolutely nothing, because it is the right thing to do, because it is our obligation as a developed nation. Now we have added 4,000 more to that 55,000 in return for an agreement with a reasonable partner, which puts a huge dent in the people-smuggling business. But the opposition says, 'How dare you add 4,000 to that 55,000 intake in return for a deal.' In return, we get absolutely zero and nor should we get anything, but we add it to the 55,000 as part of a partnership under the Bali process with a regional partner and a close friend of Australia because it is the right thing to do. And the opposition says, 'How dare you!' when the Leader of the Opposition was prepared to double the refugee intake in return for one vote on the floor of the House of Representatives from the member for Denison. That would have been a bad deal costing $3 million. The Leader of the Opposition was prepared just to negotiate it away in those days following the election and he has the hide to criticise us for adding 4,000 over four years in return for an agreement with a regional partner.

These are important issues. These are vexed issues. These are complex policy areas which governments around the world face. I agree with the member for Cook that it takes resolve. I do agree with the member for Cook that it takes determination and that is what this government is showing in this agreement with Malaysia. As I said on Saturday, it is not easy. I expect there to be protests. I expect there to be resistance and I expect there to be challenges, but nobody should underestimate this government’s resolve to do whatever it takes to break the people smugglers’ business model and to do it in a way which protects our humanitarian obligations by increasing our refugee intake.

In the time left available to me, I want to deal with a couple of matters which the member for Cook raised—the recent riots at Christmas Island and Villawood and the matter of the government’s resolve. The member for Cook has received his briefings. The member for Cook has received his legal advice. He wrote to me and asked for legal advice and I arranged for it to be sent to him—very clear. The member for Cook raised this issue and now he is saying that it is a separate issue. The legal advice sent to the member for Cook made very clear the need for the legislation I am introducing to the House, which shows that the current general conduct provisions may not be strong enough to deal with some of the instances we have seen in the last few weeks.

The DEPUTY SPEAKER (Hon. Peter Slipper): The honourable member for Cook has had his opportunity to participate and he will remain silent.

Mr BOWEN: The shadow minister for immigration has now had a considerable period—several weeks—to announce the opposition’s position on this matter. He has now had his briefing. He has now had the legal advice and now we need to hear from
the member for Cook. Do you support the government’s efforts to strengthen the character test? Will you vote for the legislation? The opposition wants to criticise this government and then play politics with an important piece of legislation which makes it crystal clear—without doubt.

Mr Morrison interjecting—

The DEPUTY SPEAKER: I warn the honourable member for Cook!

Mr BOWEN: It is not a complex piece of legislation. If you commit an offence while you are in immigration detention, you automatically fail the character test and the opportunity of the minister and the department is enlivened to enable the cancellation or the refusal to issue a permanent visa. It makes it crystal clear that this legislation is improved. It makes it crystal clear that the minister or the department have the opportunity to ensure that bad behaviour within our detention network is dealt with appropriately.

The member for Cook has had the opportunity now for several weeks to say what he thinks. He has been given very comprehensive legal advice about the situation and he has not yet indicated whether he will support or oppose it. There are plenty of opportunities now. The member for Cook had another one today. He likes to talk about the general character test. He likes to talk about how people who have been sentenced to crimes with a sentence of less than 12 months—

Mr Morrison interjecting—

The DEPUTY SPEAKER: I remind the honourable member for Cook that he is under a warning!

Mr BOWEN: He would not want to miss budget night. The member for Cook has been given legal advice which shows that if somebody is sentenced to a prison term of less than 12 months, the opportunity for the minister and department to deal with that in an appropriate way is severely curtailed. He knows it is the case. Now it is his chance to join with the government in fixing it. If he will not, he has no right to lecture this government about matters of resolve or determination when it comes to behaviour in our detention centres because he will be part of the problem. He will be part of the issue, which means that people in detention centres think they can commit offences with sentences likely to be less than 12 months and not suffer the result of having no permanent visa. We will be back in a situation like we were after the riots at Woomera and Baxter under the previous government where those rioters are now living in our community with a permanent visa. For all the chest-beating of the Leader of the Opposition, for all the chest-beating of the member for Cook, the rioters in those very serious instances at Woomera and Baxter are now living in the community with a permanent visa issued by the previous government. The member for Cook has gone a bit quiet on us, Mr Deputy Speaker. I am glad he is adopting your admonitions. I suspect it is partly out of respect for you and the office you hold and partly because he knows it is true. He knows he has been beating his chest and that there is no substance to his argument and he knows, if he is going to be taken seriously on this debate, that, in the deal with Malaysia, he will join with the government and support the legislation before us. (Time expired)

Mr KEENAN (Stirling) (16:06): The former finance minister Lindsay Tanner has been in the news lately. One of the things he says about politics, which I think a lot of people would agree with, is that everybody exaggerates everything, but let me tell you one thing: with this government, when we say that things are actually this bad, I can
genuinely say to the Australian people that they are. It is hard to remember that this
government is only 3½ years old. It seems so
tired, so incompetent and so incapable of
moving Australia in any coherent direction.
In fact, it seems so incapable of outlining any
direction it would like to see Australia go in
that it looks as old, as tired and as ready to
be assassinated as the former New South
Wales government which fell in March. For
all the failings of this government, nowhere
are their failings more apparent than on the
issue of border protection, because the same
strands of incompetence that are so obvious
across the whole range of policies of this
Labor government are magnified when we
look at the failure to protect Australia's
borders. First, one of the characteristics of
this government—something that the Leader
of the Opposition outlined again in question
time—is that they have the reverse Midas
touch. Everything they touch has turned
sour. Any policy area that they turn their
attention to becomes an absolute disaster. No
matter how good the intentions—such as 'It
is a good idea to insulate houses,' or 'It is a
good idea to have faster broadband,'—and no
matter how good the kernel of the idea,
everything they do turns out to be a complete
and utter disaster.

Yes, it is a good idea to insulate homes,
but the way they do it we end up with those
houses being burnt down and people killed.
Faster broadband is a good idea. We all
believe in that. Yet the way they tackle it is
to waste literally tens of billions of dollars on
an outdated scheme that is going to be an
absolute millstone around the necks of all
Australians for a generation to come. We
will probably see the same tonight with set-
top boxes.

But border protection is probably the
worst of these failures, because when the
Labor Party came to office they inherited a
solution to this problem. The previous
government had faced challenges in this area
and they had shown some resolve and they
had solved it. So all Julia Gillard, Kevin
Rudd and the Labor Party needed to do when
they came to office was nothing. If they had
just left well enough alone, we would not
have been inundated with the almost 11½
thousand illegal arrivals we have had since
the Labor Party weakened the robust system
of border protection they inherited when they
came to office.

The second characteristic of this
government is that it is wildly inconsistent in
a way that I think highlights to the Australian
people that they have absolutely no idea
what they are doing. They do not appear in
any way, shape or form to be competent
stewards of the national interest; they just
appear to be out-of-control victims of
circumstance with no ability to shape events
and no ability to control the direction of the
country. They wind back the tough but fair
provisions that the previous government
introduced with Welfare to Work, yet
tonight, apparently, they are going to
announce a crackdown on welfare recipients.
They promised 'no carbon tax' but, within
months of being re-elected, they explicitly
repudiate that promise and now they are
going to bring in a carbon tax.

But yet again, it is border protection
which most exposes their complete inability
to shape events, their lack of conviction and
their blatant hypocrisy. This government and
the members of it spent years criticising the
previous government for the Pacific solution,
the solution that was part of a suite of
measures implemented by the Howard
government which actually ended the
people-smuggling business and took control
of this problem on behalf of the Australian
people. The current Prime Minister derided
the Pacific solution for years as the
opposition shadow spokesperson for
immigration. In 2003, in this place, she said:
The so-called Pacific solution is nothing more than the world's most expensive detour sign. It does not stop you getting to Australia; it just puts you through a detour on the way while Australian taxpayers pay for it and pay for it. Instead of stunts like this—referring to the Pacific solution—it is time the Howard government faced up to engaging in a long-term solution in relation to refugees and asylum seekers.

A long-term solution—the next eight boats! She went on to say:

The so-called Pacific solution is not a long-term solution. Can anyone in this place really imagine that Australia will be processing asylum seeker claims on Nauru in 10 or 20 years?

Well might we now ask: can anyone really imagine that Australia is going to take 10 to 20 years to get these 800 people who are now going to be transferred to Malaysia?

Earlier on, in a grievance debate, the Prime Minister—the then opposition spokesperson for immigration—said this about third-country processing:

The so-called Pacific solution—stripped of the other policies that the government has scrambled around and tried to put in place since the Tampa—is really no more than the processing of people offshore in third countries. It is a policy that Labor does not support, because it achieves nothing and costs so much in so many ways—in money, in goodwill in our region and in division in our community.

This is the hypocrisy that this government has now become famous for and this is why the Australian people understand that they stand for nothing, that they are enormous hypocrites and that they will do whatever they deem to be in their political interests. The Prime Minister today spoke about children in detention—another area in which they are rank hypocrites. When they came to office in 2007, not one child was in detention in Australia. There are now over 800 children in detention, specifically because of the failed policies of the Labor Party.

The third characteristic of this government is that they never tell the truth. They have a habit of making grand announcements, but you need to unwind those announcements and have a look at the detail before you can see what is really going on. We saw it with the mining tax—a big announcement followed by an unravelling once we saw how silly the details of that tax were. Again this characteristic is evident in border protection. The Prime Minister announced to great fanfare during the election campaign that one of the areas she was going to fix when she became Prime Minister was border protection. She was going to do that by creating a regional processing centre in East Timor. Sadly, and I think rather astonishingly, nobody thought to ask the East Timorese. We know that foreign affairs is not the Prime Minister's forte, because she has admitted that, but really I think rather astonishingly, nobody thought to ask the East Timorese. We know that foreign affairs is not the Prime Minister's forte, because she has admitted that, but really I think it would fall into the category of commonsense that, if you were going to push for an East Timorese processing centre, you would pick up the phone and talk to your counterpart, the head of government of East Timor. That is something that never happened.

What has happened is that as this policy has completely and utterly unravalled the Prime Minister and her ministers and other members of the Labor Party have run around in what became a pythonesque farce. There was all this silliness of running around saying, 'No, this idea is not dead; it is only sleeping.' But mercifully the East Timorese regional processing centre was put to bed on Saturday when the Prime Minister announced her new thought bubble—the Malaysian solution.

Wouldn't you want to play poker with these guys? Wouldn't you want to sell them a car? In fact, I would like to sell them a
bridge—the Malaysian government will take 800 asylum seekers in exchange for the 4,000 they are going to send here to Australia. You can picture the minister going up to Malaysia and starting off by saying: 'Look, what about we have some swapsies? What about we go one for one—we will give you one of ours and we will take one of yours?' And the Malaysians would have said, 'Mmm, no.' And so the minister would have said, 'What about two for one?' 'No.' 'Three for one?' 'No, I don't think so.' 'Four for one?'

You can just see the desperation that would be leeching off the minister by now. 'No, not four for one.' And finally they went with four for one—and wouldn't the Malaysian government be kicking themselves that they did not ask for more. This government has become a regional embarrassment and it is the dignity of Australia that suffers when we have a government that negotiates from such an enormous position of weakness.

The fourth thing that characterises this government is a complete disregard for taxpayers' money. We have seen it with pink batts, we have seen it with school halls and we see it with border protection. This time last year we had a $1 billion blowout on the government's failed border protection policies, although I suspect that that effort is going to look amateurish compared with what they will announce tonight. We already know they are going to blow $300 million on the Malaysia deal. There has already been a blowout of half a billion dollars to manage our detention centres, let alone the damage that has been done on Christmas Island that would run into the tens of millions of dollars which we had a chance to look at over the last fortnight.

This government has no resolve to deal with the issue of border protection and the chaos it has created is completely a chaos of its own making. If they had come to office and done nothing, Australia would not be in this position. They need to take responsibility for the chaos they have caused and they need to adopt policies that we know will work and that the opposition is now proposing. (Time expired)

Dr LEIGH (Fraser) (16:19): The issue of refugees and asylum seekers is a global challenge. According to the United Nations High Commissioner for Refugees, in 2009 there were 43.3 million forcibly displaced people throughout the globe and, of those, 15.2 million were refugees. These are vast numbers for the international community to deal with and there are also huge numbers around the world who are affected by the challenge of asylum seekers. Just to give the House a sense of the scale of the number of internally displaced people and refugees, I want to quote a couple of statistics from a Parliamentary Library paper by Janet Phillips. She points out that, in 2006, over 72,000 people arrived by boat on the coasts of Italy, Spain, Greece and Malta alone.

The arrival numbers in Australia are actually very small compared to global asylum seeker applications. The paper makes the point that, in 2009, Australia received 6,170 asylum seeker applications, which is just 1.6 per cent of the 377,160 applications received by the 44 industrialised nations for which the UNHCR tracks figures. Of those 44 nations, Australia was ranked 16th overall and 21st on a per capita basis. It is critical to put the numbers into perspective and to remember that Australia has a long and proud history of accepting refugees for resettlement.

Many people who have come to Australia have made vast contributions to our wellbeing—including Frank Lowy and many people who came to Australia at the end of the Vietnam War. Australia is better off for being a nation that has welcomed refugees
into our midst. There are only about 20
developed nations that formally participate in
the UNHCR refugee resettlement program
and we are one of those nations. But those
developed nations do not house the majority
of the world's asylum seekers and refugees.
The majority of the world's asylum seekers
and refugees are housed in developing
countries where millions of people already
live. Pakistan currently hosts approximately
1.7 million refugees, Iran hosts over a
million refugees and some 115,000 asylum
seekers and refugees are in Thailand.
Malaysia hosts around 100,000 asylum
seekers and refugees and Indonesia faces
significant numbers of irregular migrants
moving through its territory.

It is critical that we keep the global
challenge in perspective. The Minister for
Foreign Affairs said in Bali early this year
that worldwide transnational crime
represents a business of two-thirds of $1
trillion a year and a large portion of that is
the crime of people smuggling and human
trafficking. This is the challenge that Labor's
policy is aiming to address. We are aiming
to address the challenge within our own region
of the 3.9 million refugees amongst us. It is
important to recognise that Australia's policy
fits in a global environment. The opposition
would very often like us to think that
Australia exists in a little bubble and that the
rest of the world does not affect us. But we
know that is not the case.

There are international institutions set up
to deal with the challenge of refugees and
asylum seekers and we are marking the 60th
anniversary of the 1951 Convention Relating
to the Status of Refugees and the 60th
anniversary of the International Organisation
for Migration. These two great international
institutions have played a major role and
Australia is looking to work with those
institutions.

But beyond the statistics there is also a set
of very personal stories that accompany
them. I spoke in my maiden speech about my
own experience with my mother's parents, a
boilermaker and a teacher, who always lived
by the credo that if there was a spare room in
the house it should be used by someone who
needed the space. As a child, I remember
eating at their home with Indigenous families
and new migrants from Hong Kong, Papua
New Guinea, Chile, Cambodia and Sri
Lanka. That early experience informed my
lifelong passion for Australia's
multiculturalism.

Last year I attended a prize-giving
ceremony for an art competition held as part
of Refugee Week and first prize went to a
Karen-Burmese woman who had woven a
traditional crimson tunic. Because she did
not have a proper loom the woman had taken
the mattress off her bed and fashioned a
loom from her pine bed base. It is hard not to
be overwhelmed by the courage and spirit of
Australia's migrants.

That brings me to the announcement made
on the weekend by the Prime Minister and
the Minister for Immigration and
Citizenship. It was an announcement aiming
to do two things: to put people smugglers out
of business, to ensure that fewer people are
put on those boats, particularly women and
children, to brave a dangerous and
unnecessary sea journey to Australia; and it
is also trying to ensure that Australia
resettles more refugees than it has in the past.

As the minister has set out, the next 800
irregular maritime arrivals, who arrive in
Australia after the date on which the
agreement comes into effect, will be
transferred to Malaysia. In return Australia
will resettle an additional 4,000 refugees
currently residing in Malaysia. Australia is
going to fully fund that agreement, which
will be overseen by the United Nations High
Commissioner for Refugees, which is playing a more active role in Malaysia than it has ever done in the past.

This will be the largest increase in the asylum seeker-refugee intake that has occurred since Labor was last in office. That increase of 1,000 a year reflects the fact that Australia is a generous country which is able to resettle refugees. I think that bipartisan commitment to resettling refugees has in the past—alas, not so much now—been a hallmark of Australia's social fabric.

What we are doing is not a bilateral deal. It is the beginnings of a regional framework. We recognise that refugees and asylum seekers are a global challenge. We recognise the way to tackle that challenge is through a regional agreement. That is very different from the bilateral deals that we saw under the Howard government and the temporary protection visas. Temporary protection visas did not work. They were introduced in October 1999 and, following the introduction of TPVs, the number of irregular maritime arrivals spiked.

By contrast the current policy proposal that the government has put forward has been welcomed. The UNHCR's regional representative, Richard Towle, said:

I think in that sense it has the potential to ... make a significant practical contribution to what we're trying to achieve in the region. And if it's a good experience other countries can look at it and say "yes, that's a positive way of managing these issues. Perhaps we want to embark on similar or other initiatives under a regional cooperation framework".

He also said:

Well the core on which I think everyone agrees on and that's ... what we call the principle of non-refoulement: that's non-expulsion of asylum seekers and refugees out of the country to face persecution. We would want to see that and I think we are seeing that as a commitment from both Governments.

By contrast the opposition has taken the narrow and parochial road. They are the ostriches of the Australian political system. They are willing to put their head in the sand and pretend the rest of the world does not exist. We have seen this with several issues.

During the global financial crisis we saw the opposition's refusal to support the stimulus and their willingness to talk now as though the GFC never happened. On climate change we saw their startling readiness to reject both the science and the economics. On migration we saw the return of Hansonism wrapped in a blue ribbon. Whereas the former member for Cook, Bruce Baird, would stand up for principle, the current member for Cook is only willing to spread fear.

Migration has strengthened Australia. Refugees have strengthened Australia. What this policy seeks to do is to increase our humanitarian intake and, in an equally humanitarian way, to discourage the dangerous sea journey and to see fewer young children set adrift in leaky boats to brave a dangerous sea journey to Australia. In those twin regards this is a humanitarian policy and one that I am proud to support as a member of the Labor Party.

Mrs GRIGGS (Solomon) (16:26): The failure of this Gillard Labor government to address their border protection failures with clear, permanent, proven and consistent policies is out of control. This was seen as recently as this week when Malaysia out-negotiated a desperate, panicked Gillard Labor government who used their desperation to overturn a one-to-one deal to a one-to-five deal. How good is that! This deal is just another panicked, desperate thought-bubble from a government which is literally drowning in problems of their own making. Labor does not have a plan. They are
negotiating from a position of weakness. They are completely in a flop.

The coalition has a proven recipe for baking the cake which we will call border protection. For some reason the Gillard government refuses to reach into the cupboard and pull out the Howard government recipe book. Rather, they want to bake a cake without a recipe. They insist on making it up along the way. It goes something like this: two cups of Christmas Island, add a tablespoon of Vashti. a pinch of Villawood, then mix it all together into a bowl of suburbia and bake it in an oven. Where is that oven, again? Is it in East Timor; is it in Papua New Guinea or is it in Malaysia? There is a perfectly good oven in Nauru but the Prime Minister refuses to warm it up.

The Labor border protection cake has flopped. They will not be calling for this recipe on MasterChef. Forget this half-baked cake that you have, Prime Minister, and try the recipe that we all know has worked. The Prime Minister should swallow her pride, pick up the phone, ring the President of Nauru and put in place the full range of policies that have been proven to work. The temporary protection visas should be reintroduced and, where possible, boats should be turned around. But instead we have a deal where we take five for every one person sent to Malaysia.

That is not a very good deal for Australia, is it? Malaysia takes one and sends five and Australian taxpayers pay for the lot. Taxpayers seem likely to fork out $54,000 for every refugee brought to Australia, but for every person arriving by boat who has been rejected and sent to Malaysia we pay $90,000. What a deal for you.

The Labor government's latest attempt to distract from its appalling border protection is a disgrace. A recent visit to Darwin by the Minister for Home Affairs, Brendan O'Connor, served only to draw attention to this government's failed border protection. His claim that Labor has significantly cut the number of illegal fishermen in Australian waters is open to criticism on two accounts. The first is that the coalition government was responsible for reducing the number of illegal fishermen. Secondly, under Labor's soft border protection policies there is no denying that boats that might otherwise have been used for illegal fishing are now more likely to be involved in people smuggling.

Mr Keenan: The money is so good.

Mrs GRIGGS: The money is so good. Mr O'Connor asserts that it is a long bow to draw, but he is wrong. In 2006, federal Treasurer Peter Costello made a very clear statement to illegal fishermen when he set fire to a boat caught in waters off Darwin. Images of this were broadcast widely throughout South-East Asia, and the tough rhetoric was backed up with added surveillance infrastructure. At the same time, the coalition government was taking a very strong stance against illegal arrivals through its offshore processing regime and temporary protection visas. In 2006 there were just six people-smuggler boats and 60 illegal arrivals. So far this year we have 80 people-smuggler boats and 4,445 arrivals. You cannot tell me that the boats are not being diverted to people smuggling.

Unlike Labor, the coalition took a tough stance against people smuggling and illegal fishing. The results speak for themselves. Since the last election, Labor has announced an additional 4,000 beds in Australia's immigration detention network as the system fails to cope with Labor's border protection failures. I have said this before and I will say it again: Labor has opened more beds in detention centres than it has in public hospitals or aged-care bed facilities. Since
the last election its only answer to more and more boats has been to provide more and more detention beds. The cost of providing these beds, plus the thousands more that Labor needs to establish during the first term, has been more than $350 million.

As I have mentioned in this House previously, my office is inundated with calls from people who have grave concerns about the large number of detention centre beds being announced in the Territory. They are also concerned that this government has lost its way and lost control of our borders. People are concerned by the vision of riots and demonstrations in our detention centres around the country, including in the Northern Territory.

Prior to the last election the Prime Minister denied all the way to polling day that they were expanding facilities, while taking up her clearly farcical plan to establish the regional processing facility in East Timor. Since then not one bed has opened in East Timor, but 4,000 beds have been opened and announced across Australia. For me in Solomon, this includes 1,500 beds at Wickham Point, which is near Darwin, and another 600 beds at the Airport Lodge. As a consequence of Labor's failure, our detention network is stretched beyond its capacity. If you want a more visible example of the depth of the crisis that Labor has created, you need look no further than the Asti Motel in suburban Darwin. The shadow minister and I were fortunate enough to go and have a look there recently, and we were very surprised to see it was at full capacity.

In my electorate we have experienced riots, protests and breakouts from the Berrimah secure facility, including in March this year and in September 2010 when 90 detainees escaped from the facility and staged a day-long roadside protest. This facility is located on the main highway—the one road in and out of Darwin.

Mr Keenan: Lucky they did not burn things down.

Mrs GRIGGS: That is exactly right. Territorians have also raised with me that at the Airport Lodge facility there are limited physical recreation areas. Locals are also concerned about the proximity of this facility to an international airport, of which this facility is at the back door. There are serious safety and security issues.

The facilities at Wickham Point were announced as a 1,500 bed facility. However, concerns have been raised about whether each asylum seeker will have their own room or whether there will be more than one person in each room, as there are 1,500 rooms on the plans before the Department of Planning and Infrastructure. This facility is also designed to be built in a biting midge area, which raises serious health concerns and will put increased strain and pressure on our stretched health services. How can this Labor government say that there is no pressure on Territory services as a result of its failed border protection policies? There has to be a significant impact on the Northern Territory Police resources. There also has to be an impact on the health resources. There are cases where riots have resulted in hospitalisations at Royal Darwin Hospital. Territorians know, and I have said this before, that RDH is stretched to capacity. That this is a no-fail border protection policy and that it will not impact on Northern Territory services is a joke.

When the plans for another onshore detention facility were announced for Darwin, the government said it would cost $9.2 million but, as we found out, it cost $83 million. That is just for starters. I think Labor's detention crisis is a mess. It is a mess of their own making, but it is the Australian
taxpayers who are having to foot the bill. If the minister is such a good negotiator, I would not be surprised if he bought a genuine Rolex at the markets in KL for a special morning price of $500 the day he negotiated the agreement of a five-to-one deal. This government has indeed failed and has terrible border protection policies.

Mr HAYES (Fowler—Government Whip) (16:36): Once again the opposition has returned to its natural path in these debates. It reverts to sloganeering. I hope we are not going to have an issue when discussing something like border protection by making light of it. This is not like making a cake or seeing whether the soufflé rises; this is about protecting Australia’s borders while looking at the real issues of protecting our humanity in accordance with Australia’s international obligations. Talking about Australia’s obligations to refugees, we were one of the most forthright countries in setting those up. This is not something that was simply bequeathed to us; this is something that we were a part of. We went into it with our eyes fully open, with a view to doing something positive for those people less privileged in the world than we are—people who suffer persecution—and making a genuine attempt to assist them. That is what a civilised country does. As I said, the opposition on this occasion, as on every other occasion in this debate, has reverted to type. Its standard operating practice is to move to fearmongering and to simple sloganeering.

I have the honour of representing the people of Fowler. As you know, Mr Deputy Speaker, it is the most multicultural electorate in the country. As a matter of fact, some 20 per cent of my electorate is Vietnamese. I actually spoke at a rally two weeks ago, on 30 April. That was the 36th anniversary of the fall of Saigon. The significance for this country of the fall of Saigon was that we accepted in excess of 200,000 boat people, refugees. We did the right thing. What this is about is us making decisions. What we have entered into with Malaysia, and the way we are going about this arrangement—which is a bilateral arrangement, as opposed to what occurred under the Howard government—is to move to attack the business model of people-smuggling. You will recall, Mr Deputy Speaker, that in the past we decided to change, on coming to government, and to put the emphasis on the crime of people-smuggling. I think if you look back through the respective law texts, those who were convicted of people-smuggling used to get up to about five years. We have changed that. We have made it a crime punishable by 20 years imprisonment. We are taking a hard line on those who trade in the people-smuggling business. We are also moving to attack, as I said earlier, the business model of this particular crime. We are moving to ensure that people who want to buy a ticket on one of these leaky old vessels will know that, in doing so, they will not be buying a ticket to Australia but will more than likely end up in Malaysia.

I recently had the honour of spending a couple of weeks with some of the Australian Federal Police, working in cooperation with the Indonesian police on people-smuggling. I had a pretty rare insight into the dynamics of that illicit trade. On the 17,000 islands that make up the archipelago of Indonesia, people who venture onto one of these leaky vessels pay up to about $10,000 for the privilege of doing so, to secure a right of passage to Australia. They are seeking to exit a country where 95 per cent of people earn less than A$5. It gives some indication of why people take the chance. But the point is that people are making those vessels available because they can get $10,000 to give these people transport to this country. That is why people
are buying a ticket. They are coming through places such as Malaysia, through to Indonesia, and then to the ultimate destination of this country. What we are doing is applying a regional solution to a regional problem. This is not just a problem for us here in Australia; this is a problem that must be addressed within the region itself. That was what was discussed at the Bali conference. That was what people entered into agreements to move to do something about—and that is precisely what we acted upon: we entered into an agreement with the Malaysian government.

What is being said on the other side, in terms of the deal that was cut with us accepting, over four years, another 4,000 refugees, is absolutely hypocritical—coming from the Leader of the Opposition, who, when he had the chance to try and negotiate to form government, he went out and entered into discussions with the member for Denison with a view to doubling Australia’s refugee intake. Let me remind you what our refugee intake is: 13,750 people per year. So he was actually prepared to buy government by placating the member for Denison and saying that they would double that on an annual basis. This is the hypocritical nature of the opposition: they want to come in here and challenge us on what we are doing with our bona fide position to attack the criminal model that underpins the crime of people-smuggling.

There is a very clear distinction in what we are doing as compared to the Howard government's Pacific solution. You will recall that the Pacific solution was solely the product of this country. It was a unilateral position where we used other, impoverished countries to provide accommodation for people that we wanted to extricate from this country for processing offshore. What we are doing with Malaysia, however, is entering into a bilateral agreement. We are involving the offices of the UNHCR. We are involving the office of the International Organisation of Migration. Those are simply matters of fact. The Prime Minister of Malaysia said this: 'What is important is that the entire operation will be conducted under the auspices of the UNHCR and the IOM as well. The international bodies will be involved to make sure that we adhere to the international laws of human rights and certain practices.' So it is fully acknowledged what those responsibilities are in this respect. The fact is that the UNHCR and the International Organisation of Migration will oversee the way this is being conducted. It is also of note that the regional representative of the UNHCR also said:

I think in that sense it has the potential to ... make a significant practical contribution to what we're trying to achieve in the region. And if it's a good experience other countries can look at it and say 'yes, that's a positive way of managing these issues. Perhaps we want to embark on similar or other initiatives under a regional cooperation framework.'

You have the UNHCR talking about the regional cooperation framework, not just some country wanting to belt people over the head and simply run the line that they are boat people.

A couple of weeks ago I had the opportunity to speak with a number of boat people who came here 36 years ago. The boat people of that time—refugees who were part of the 200,000 people admitted to this country after the fall of Saigon and defeat by the communists—have made a remarkable contribution to this country. To simply come out and engage in this debate with sloganism and simple fearmongering is to not take this matter seriously.

I would have thought that if anything the opposition would be coming out and simply agreeing to what has been proposed. I know you do not like doing that as a matter of
course. There are two things the opposition have been constantly belting on about: firstly, stopping the boats and, secondly, increasing our humanitarian intake. Both of those are now capable of being achieved through this solution, which has been adopted on a bilateral basis with the Malaysian government. Those opposite should stay silent on this matter if they cannot add anything constructive to it and let us get on with the job of defending our shores with a proper and defensible border protection policy.

The DEPUTY SPEAKER (Hon. BC Scott): Order! The discussion is now concluded.

BILLS

Tax Laws Amendment (2011 Measures No. 2) Bill 2011
International Tax Agreements Amendment Bill (No. 1) 2011
Aviation Transport Security Amendment (Air Cargo) Bill 2011
Customs Amendment (Export Controls and Other Measures) Bill 2011
Intelligence Services Legislation Amendment Bill 2011

Reference to Main Committee

Mr FITZGIBBON (Hunter—Chief Government Whip) (16:47): by leave—I move:

That the following bills be referred to the Main Committee for further consideration:

Tax Laws Amendment (2011 Measures No. 2) Bill 2011
International Tax Agreements Amendment Bill (No. 1) 2011
Aviation Transport Security Amendment (Air Cargo) Bill 2011
Customs Amendment (Export Controls and Other Measures) Bill 2011

Intelligence Services Legislation Amendment Bill 2011

Question agreed to.

Appropriation Bill (No. 3) 2010-2011
Appropriation Bill (No. 4) 2010-2011
National Health and Hospitals Network Bill 2011
Health Insurance Amendment (Compliance) Bill 2011
Education Services for Overseas Students Legislation Amendment Bill 2010
National Vocational Education and Training Regulator Bill 2010
National Vocational Education and Training Regulator (Transitional Provisions) Bill 2010
National Vocational Education and Training Regulator (Consequential Amendments) Bill 2011
Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011
Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Bill 2011
Civil Dispute Resolution Bill 2010
Australian Civilian Corps Bill 2011
Defence Legislation Amendment (Security of Defence Premises) Bill 2011
Screen Australia (Transfer of Assets) Bill 2011
Evidence Amendment (Journalists’ Privilege) Bill 2011
National Broadband Network Companies Bill 2010
Telecommunications Legislation Amendment (National Broadband Network Measures—Access Arrangements) Bill 2011
Corporations and Other Legislation Amendment (Trustee Companies and Other Measures) Bill 2011
Family Assistance Legislation Amendment (Child Care Rebate) Bill 2011
Schools Assistance Amendment (Financial Assistance) Bill 2011

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

COMMITTEES
Public Works Committee
Membership
The DEPUTY SPEAKER: The Speaker has received advice from the Chief Opposition Whip nominating Mr Secker to be a member of the Parliamentary Standing Committee on Public Works.

Mrs ELLIOT (Richmond—Parliamentary Secretary for Trade) (16:48): by leave—I move:

That Mr Secker be appointed a member of the Parliamentary Standing Committee on Public Works.

Question agreed to.

National Broadband Network Committee
Membership
The DEPUTY SPEAKER: The Speaker has received advice from the Chief Opposition Whip nominating a member to be a participating member of the Joint Standing Committee on the National Broadband Network.

Mrs ELLIOT (Richmond—Parliamentary Secretary for Trade) (16:49): by leave—I move:

That Mr Neville be made a participating member of the Joint Standing Committee on the National Broadband Network.

Question agreed to.

BUSINESS
Council of the National Library of Australia
Membership
Mrs ELLIOT (Richmond—Parliamentary Secretary for Trade) (16:49): by leave—I move:

That, in accordance with the provisions of the National Library Act 1960, this House elects Mr Adams to be a member of the Council of the National Library of Australia and to continue as a member for a period of 3 years from 13th May 2011.

Question agreed to.

COMMITTEES
Public Accounts and Audit Committee
Mr OAKESHOTT (Lyne) (16:50): I ask leave of the House to make a statement on behalf of the Joint Committee of Public Accounts and Audit concerning the draft budget estimates for the Australian National Audit Office for 2011-2012, and also for leave to present a copy of my statement.

Leave granted.

Mr OAKESHOTT: The Public Accounts and Audit Committee Act requires the committee to consider draft estimates for the Audit Office, with the chair ultimately making a statement to the House on budget day on whether in our opinion the Auditor-General has been given sufficient funding to carry out his or her duties. In support of this process the Auditor-General is empowered under the act to disclose budget proposals to the committee, which we then consider in
making representations to government as necessary. This process reflects both the committee's status as the parliament's audit committee and the Auditor-General's status as an independent officer of the parliament.

The committee met with the Auditor-General in March to review the Audit Office's budget proposals for the coming financial year. The Auditor-General advised that, although facing a number of cost pressures, he is conscious of the overall pressures on the government's budget and is not seeking additional budget supplementation at this time.

The Auditor-General advised that, in common with other agencies, the ANAO is facing increased employee and supplier costs. He again reiterated that the Audit Office has had to absorb the impact of recent changes to the Australian Auditing Standards, which came into effect from 1 January 2010. Despite the support of the previous committee the ANAO was not successful in receiving additional supplementation in the 2009-10 and 2010-11 budgets to offset these costs. The Auditor-General advised the committee that the ANAO is now managing significant additional costs in this regard. The Auditor-General advised that further pressure could result from the possible implementation of the JCPAA's recommendation in report 419, Inquiry into the Auditor-General Act 1997. The recommendations would require the Auditor-General to review the adequacy of agencies' performance indicators. This is not expected to affect the ANAO's 2011-12 budget, as the report still requires formal government consideration. However, if implemented, in addition to initial set-up costs, ongoing costs of between seven per cent and 10 per cent of the cost of the financial statement program could be required. The committee would expect the Auditor-General to seek additional budget supplementation to cover this extended mandate in 2012-13.

The committee appreciates the efforts of the Auditor-General and his staff to establish a strong working relationship with the new committee. They have made themselves available to brief the committee regularly and have been responsive to our requests for information on a variety of topics. The committee looks forward to continuing a productive relationship with the Audit Office over the term of this parliament. The committee recognises the important role that the Auditor-General plays in scrutinising the government and will continue to support that role. The committee does not want to see the discretionary work of the Audit Office suffer due to future budget constraints and will endeavour to ensure that the office remains adequately resourced. This acknowledges the importance of the performance audit program and the contribution that the ANAO makes to better practice across agencies.

The Audit Office's total revenue from government will be $74.891 million in 2011-12. The Auditor-General has advised that his appropriation for the year ahead is sufficient for him to discharge his statutory obligations and planned audit work for 2011-12. He also advises that his office will be able to absorb the increase in the efficiency dividend over the next two years. Therefore, we endorse the budget proposed for the Audit Office for 2011-12. I present a copy of my statement on behalf of the Joint Committee of Public Accounts and Audit.

Gambling Reform Committee Report

Mr WILKIE (Denison) (16:54): On behalf of the Joint Select Committee on Gambling Reform, I present the committee's report, entitled The design and implementation of a mandatory pre-commitment system for electronic gaming
machines, which incorporates a dissenting report, together with the transcript of evidence, submissions and tabled documents.

Ordered that the report be made a parliamentary paper.

Mr WILKIE: by leave—I present the first report of the Joint Select Committee on Gambling Reform entitled *The design and implementation of a mandatory precommitment system for electronic gaming machines*. There are 95,000 Australians addicted to poker machines and another 95,000 at risk. For every problem gambler, between five and 10 people are adversely impacted. Poker machine losses amount to some $12 billion a year, 40 per cent of which is from problem gamblers. Individual losses average $1,200 an hour on current high intensity electronic gaming machines. Even if the industry estimate of $3 billion for the cost of implementing precommitment is proven correct, this still represents little more than half what problem gamblers lose in a single year.

The implementation of a mandatory precommitment system on electronic gaming machines—or poker machines—was a major recommendation of the Productivity Commission and is a key aspect of my own limited support for the government. Mandatory precommitment—requiring players to preset limits before they start to gamble—will reduce the harm of poker machines and encourage all players to make rational and conscious decisions about their gambling behaviour. It will result in fewer people becoming problem gamblers in Australia.

This report makes 43 recommendations, most significantly the fitting of mandatory precommitment on all high-intensity poker machines by 2014. Players will need to preset their loss limit and will be locked out when that limit is reached. There will be cooling-off periods for limit increases, safeguards to prevent venue or machine hopping and an effective self-exclusion function. There will be no licence to punt and no fingerprinting. Venues will have the choice to change some or all of their poker machines for low-intensity machines having a $1 maximum bet and other loss-limiting features. The 88 per cent of poker machine players who currently wager a dollar or less will barely notice the change except that they will almost always finish their gambling session with more money in their pockets.

The report also recommends that smaller venues—those with 15 machines or less—be given until 2018 to implement the scheme and the establishment of a transition fund to assist them. Foreign tourists in casinos will have the option of being given a 24-hour card to override pre-commitment. And a new independent national body will be established to oversee implementation.

The committee received 119 submissions and heard from a wide range of witnesses from industry, from social service and church organisations, from academia, from experts and, most importantly, from a number of former problem gamblers who bravely chose to share their stories with us and offer their insights. I sincerely thank all these witnesses, as well as the members of the committee and the secretariat staff, for their contributions and efforts.

During the course of the inquiry, it became clear to me from various articles and public comments that unfortunately coalition committee members had already decided their position and that this would be one of dissent. This is disappointing given that they were, like other members of the committee, so strongly affected by the stories of those brave problem gamblers to whom the committee spoke. So too the poker machine industry has been a strident critic of these
poker machine reforms. But the industry's multi-million dollar advertising campaign against the reforms—a fear campaign—not to mention intense political lobbying and a smear campaign against me personally, shows how desperate some in the industry are to overturn this historic opportunity for federal intervention in problem gambling.

Yes, we did hear many in the industry express their concern for problem gamblers and I believe that many of these concerns are genuine. But I ask of the others in the poker machine industry why they continue to criticise the Productivity Commission's work and its considered estimates of problem gambling, continue to misrepresent the evidence of precommitment trials, continue to exaggerate the costs, continue to complain about unachievable timelines, continue to overstate community contributions and continue to blame problem gamblers for an addiction caused by a fundamentally unsafe product. The number of Australians touched by or at risk of poker machine problem gambling in one form or another can be measured in the millions. No wonder our children will judge the members and senators of the 43rd Parliament on our willingness and success in seizing this historic moment and doing something about it, as they should. I commend the report to the House.

Mr CHAMPION (Wakefield) (17:01): I seek leave to make a statement on the report.

Mr TONY SMITH: Mr Deputy Speaker, I reluctantly grant leave but point out that the government members themselves do not want to follow the program of the manager of government business, but that is obviously a matter for them.

The DEPUTY SPEAKER: I understand that there has been no real objection to leave being granted. Leave is granted. I call the member for Wakefield.

Mr CHAMPION: I thank the member for Casey for his forbearance. The issue of poker machines is an issue that is very close to my heart. In my maiden speech, I spoke on how poker machines might be regulated in the community and this has been an issue that I have spoken on in the House many times since. So it is a great honour and pleasure to speak on the tabling of the Joint Select Committee on Gambling Reform's report in the House.

It was an honour to work with the committee, particularly with the member for Denison and Senator Nick Xenophon. I think they have done a good job in putting this issue in the public's mind and to the forefront of the business of this parliament. So I hope that the report is read and considered by members and that it helps form a policy response for members.

Great damage is done by poker machines, electronic gaming machines, in our community. If you take the time to meet with people who have become addicted to these machines, you hear a lot of stories about the hardship and sorrow for the victims of these machines: the addicts, and their families, as well as the people around them. We know that one in six Australians who regularly play these machines become addicted to them. We know that on average they lose $21,000 a year. We know that the losers, the addicts, contribute about 40 per cent of the $12 billion in profits that are generated by these machines. Nearly $5 billion is poured into these machines by problem gamblers.
I have seen the damage done by these machines in my own electorate, which I have outlined to the House. I have a treatment service in Salisbury, and I can tell you that some of the people attending that treatment service lose a lot more than $21,000 in a year. The damage that is done by these machines demands a policy response. The two major reports by the Productivity Commission and this parliamentary report provide, I think, a strong foundation for a coherent policy response by this parliament.

There are a number of important recommendations in this parliamentary report entitled *The design and implementation of a mandatory pre-commitment system for electronic gaming machines*. I would ask the House to pay particular attention to recommendations 2, 11 and 34, which look to having a national jurisdiction for the regulation of these machines, the harmonisation of the standards—the so-called national standard—and also a national research capability. We simply do not regulate these machines appropriately, and we simply do not research their effects enough. Recommendation 12, which outlines our commitment to a pre-commitment system, is particularly important, as is recommendation 23, which outlines the committee’s strong support for a self-exclusion scheme that will help addicts exclude themselves from playing these machines when they do not want to. It effectively allows them to bar themselves. I think recommendation 36, which recommends low-intensity machines, is a great step forward. It will do a lot of good in the community and prevent a lot of harm. Finally, recommendation 39 proves that the committee did listen to clubs and small venues and that it is aware of the very genuine concern that they would have trouble in the transition. The committee did listen to industry, to the addicts of these machines as well as to the social welfare organisations.

In conclusion, it has been a great privilege for me to be deputy chair of the committee. Again, I would like to thank the member for Denison for his very good work in chairing the committee. He was very fair to all members of the committee and ran a very good inquiry into this issue.

This is a very important report for the parliament, as I said. It will receive the strong support of the government. I sincerely hope that the recommendations find strong support in this House, and I commend the report to it.

Mr WILKIE (Denison) (17:05): I move:

That the House take note of the report.

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

Report and Reference to Main Committee

Mr WILKIE (Denison) (17:05): by leave—I move:

That the order of the day be referred to the Main Committee for debate.

Question agreed to.

BILLS

Tax Laws Amendment (2011 Measures No. 1) Bill 2011

Personal Property Securities (Corporations and Other Amendments) Bill 2011

I move:

That the amendments be considered at the next sitting.

Question agreed to.

Debate adjourned.

Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Bill 2011

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr PERRETT (Moreton) (17:07): Thank you, Mr Deputy Speaker. It is nice to see you after the break nice and comfortable in your seat. I rise to give my strong support for the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Bill 2011, or, as I call it, the 'handbrakes for handshakes' bill. I say from the outset how proud I am to be speaking on a bill that addresses an issue that has long been a bone of contention for many Australians but, unfortunately, has been all too readily relegated to the political too hard basket.

Most Australians would agree that executives who put in the hard yards, who produce good results for their shareholders, their company and the community, and who treat their employees well deserve an appropriate remuneration. Certainly, in an increasingly global jobs market, Australian companies need the flexibility to compete for the best CEOs and executives. Our world-class companies need world-class leaders. Hopefully, they will be led by Australians, but sometimes the best person for the job might be from another country. Nevertheless, many Australians are fed up with the largesse of executive salaries and the gross excess of corporate greed.

For example, in 2010 the Commonwealth Bank's CEO, Ralph Norris, pulled in more than $16 million in total remuneration, including salary, incentive payments and bonuses, superannuation, shares and other benefits, or $43,835.62 per day. That is about $8,000 per hour before tax, rounded up. Woodside Petroleum's Don Voelte took home $8.3 million—up a ridiculous 210 per cent from 2009. I choose these two companies first and deliberately, but also we could look at Rio Tinto's Tom Albanese, who earned $9 million—a staggering 328 per cent rise on the previous year. I worked in industrial law for awhile, and you do not often find increases such as a 328 per cent rise slipping through Fair Work Australia. With average yearly earnings for ordinary Australians at around $60,000, even the most diehard free marketers opposite would have to agree that these numbers and increases are...
nudging towards greedy. People of faith, whatever their god or creed, might even suggest that for every individual there is actually a salary ceiling and that once one goes beyond this amount one can only be defined as avaricious.

Thankfully, my good friend the Parliamentary Secretary to the Treasurer, David Bradbury, has demonstrated the courage and the conviction to do something about excessive CEO pay packets. In the last parliament, the Labor government passed legislation to address excessive payouts for executives and company directors by giving shareholders greater veto power over the so-called golden handshakes. This bill implements the recommendations of the Productivity Commission to beef up the regulation of executive pay. It is about: (1) improving accountability, (2) giving shareholders more information and (3) eliminating conflicts of interest in the process. It amends the Corporations Act 2001 to strengthen the non-binding vote on remuneration. It introduces a two-strikes test—not a three-strikes test but a two-strikes test—that requires the board to stand for re-election when they do not adequately respond to shareholder concerns over two consecutive years. When a company's remuneration report receives a 25 per cent or more 'no' vote, they receive a strike. Two strikes in two years will trigger a spill resolution whereby the board will be required to stand for re-election within 90 days. That is: two strikes, not three, which would then mean that they are out of here.

Directors and executives will also be excluded from voting in the non-binding shareholder vote on their own remuneration and on the spill resolution. This provision strikes the right balance and sends a strong signal to boards that want to push the boundaries of executive pay. Those boards that approve excessive packages for directors and executives will run the gauntlet when it comes to the shareholder vote. No longer will they be able to use shareholders as a rubber stamp for outrageous pay packets.

This bill will also put a stop to directors and executives hedging their incentive remuneration. This will ensure that their remuneration is linked only to performance. This initiative ensures that management is rewarded for looking after the interests of shareholders and vice versa, not themselves exclusively. It will also simplify the remuneration report by limiting disclosures to the key management personnel of the consolidated entity only.

Recent surveys that have received a bit of media attention show that more and more Australians are investing in shares; therefore we need to make it easier for all shareholders—both the experienced investor and the novice—to understand a company's remuneration arrangements so that they can then make an informed vote.

The legislation before the House will also reduce the regulatory burden on companies, which is another example of the Labor government slashing red tape. The bill also seeks to eliminate the conflict of interest that can arise with remuneration consultants. It is sometimes the case that these consultants are asked to provide advice on the remuneration of officers who can influence whether their professional services are used again in the future. It could be seen to be in the consultant's interests to provide advice the executive directors want to hear concerning their remuneration, and obviously this does not pass the common sense transparency test. So, to ensure greater independence, this bill will require these consultants to first report their advice to non-executive directors or the remuneration committee rather than the actual company executives.
This bill will help address the growing community concern about the executive pay of our companies. Most importantly, it also sends a strong signal to corporate Australia that enough is enough. To be fair, all companies have had their chance to rein in corporate greed but some have failed to do so. The Gillard government have had no other option than to act and I am very proud that we have. I look forward to the next speaker supporting this legislation along with the rest of the opposition. I commend the bill to the House.

Mr HAWKE (Mitchell) (17:14): I rise to support many of the provisions contained in the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Bill 2011. However, the member for Moreton presented me with an interesting opportunity to make comment on some of the intentions of the Gillard government and their methodology in conduct their legislative program in this House, and I am happy to take up that opportunity. I start by making a deeply personal confession to this House: my rugby league team is not doing very well at the moment. It is a source of great personal concern to me and it is something I struggle to cope with every day lately. I note the member for Moreton also supports a very lousy NRL team for different reasons.

Mr Perrett: Premiers.

Mr HAWKE: Yes, they are much worse than mine. The Eels are doing badly at the moment, but I know the member for Moreton would agree with me that when Wayne Bennett became available this year and was seeking to coach another club, he would not have been concerned at the thought of his club paying the $3 million, $4 million or $5 million price tag to get Wayne Bennett. They certainly need him! He knows that you have to pay the price for the best in the business. Many Australians would understand that when you want someone to do a job, you have to pay them the remuneration that they deserve.

Instinctively, I do not have a problem with shareholders and boards setting an appropriate level of remuneration for their executives. I think it is lame for members of the government to come into this House and provide specific examples of executive remuneration, without reference to the performance of those companies. This legislation is intended for those people who take what is regarded as an unacceptable remuneration when the company involved has not performed, where there is no return to the shareholders. But it is the responsibility of shareholders and the owners of these companies to set that remuneration and to rise and fall on the merits of their decisions.

Once again, we are seeing a constant procession of Gillard government backbenchers in this place, whether it be the member for Fraser or the member for Moreton, wanting to dictate terms on how to run corporations and what should be a fair level of remuneration. It is a notion that I reject. I am more a proponent of the Adam Smith model, the invisible hand in the economy, that says that these things will work themselves out—and they should be worked out by those people.

Too often in our society today we want a great return, big bucks, for our shares. That is a great thing, a good instinct, but when a company fails, we cannot separate the concept of risk from return. There is a risk in investing in companies and there ought to be risk. There are successful companies and we want to make sure that we have a government that runs a great economy that allows for great success. But of course there will be failure.
Some of the provisions in the legislation before the House today improve the ability of shareholders to have a greater say over the management of their corporation. We do not instinctively oppose those provisions. There should be transparency in regulation. There should be great transparency for shareholders in what happens within their own entities. It is important that government backs up that principle wherever possible. Some of the provisions in this legislation can assist that. We are reducing the level of complexity through some of these provisions and they are noncontroversial from the opposition's point of view. However, in other ways, this legislation does not recognise that in recent years there has been a great correction in many businesses and in the activities and interests of shareholders. And that is a good thing. I note Wesfarmers capped salaries and reduced bonus payments a few years ago. That was a great example of the market correcting itself. If I was a shareholder in an enterprise and I was speaking to shareholders around this country, I would tell them that this is something they should pay attention to. This is something they should take a great interest in. For every good example of course there is a bad example, but I say to every member in this place: we have more good examples than bad examples, and Wesfarmers is a very good one.

I agree with the member for Bradfield who made the peculiar point about baseball, where too often in public policy we seek to make simplistic policies, two strikes and you are out, referring to a sport that really has no connection with good public policy. In reality, if baseball had five strikes and you are out, it would be five strikes in policy. It is quite populist nonsense. As proposed, the coalition have some concerns with this two-strikes rule. I agree with the coalition's amendments. The member for North Sydney and others have foreshadowed an amendment when it comes to the level of support required to reject a remuneration report, which can lead to a spill of the board—a very dramatic turn of events within a corporation—where the bar has been set too low. This amendment will reduce the two-strikes rule not just to 25 per cent of votes cast but 25 per cent of the total amount of votes. I think it is a very worthy amendment for the government to consider.

If you set this threshold too low, we will not be assisting the ability of companies to perform well and to get on with the business that they need to be getting on with—that is, running their own entities, primarily. We should not disconnect what a senior executive is and the source of those business traditions. In the 1800s, as corporations grew, there was a need for particular managers to not just manage the business but manage the interests of shareholders within corporations. This is a very important concept. Today that is still the role of senior executives. They are there to manage the interests of shareholders, the people who have invested funds in those businesses. Any good senior executive sees the interests of his or her shareholders as their prime responsibility, and so it should be. Of course there will be those who do not do that. Telstra, notably, is a good example of the system not working. But I say to those sceptics: in situations like Telstra where there was a massive government monopoly, the process of deregulation and the privatisation of Telstra will be fraught with difficulty until we get to a more free market approach in this country. In Sol Trujillo's time there was a very interesting situation. When the company was performing badly in terms of its share price, the situation of the chief executive's pay structure and the board's pay structure was outrageous. Shareholders have a right to do that and an obligation to regard it as unacceptable and to
do something about it. So, in terms of what this bill proposes, you can see in the government's efforts some good attempts to fix some of these problems. When we say remuneration should match performance, again that is something that is very difficult for us to regulate specifically. The proposal in this bill to change regulation with respect to the use of remuneration consultants is fraught. We cannot design a regulation or legislation to say you should use consultants in a certain way and should derive a certain outcome. That is going to be fraught with a whole series of undesirable and unintended consequences if this law is passed. Businesses are complex; the modern economy is complex. Often these attempts by Labor governments in particular, where their instinct is to regulate first and think later, lead to things that we do not want. While we may be doing things like prohibiting the hedging of incentive remuneration, and there are certainly issues around that and some worthy objectives about how proxies can vote and other things, specifically mandating about the use of consultants and how to apply a remuneration consultant again I do not think is going to add a lot of value to this process. It will not deal with what the member for Moreton just raised as concerns. I do not think it will deal with what the member for Fraser raised as concerns. Yet it does have the capacity to create opportunities for inadvertent criminal conduct. The fact that this will be backed by criminal sanctions again expands the concept of personal risk at the senior management level.

When you think about why someone would be paid such an amount of money, we need to remember that this is not the Middle Ages; this is not a person who has been born into this role—not a person who has inherited it; not someone who has the absolute force of government to appropriate wealth off ordinary citizens. These are people who primarily earn their wealth; who are being paid to perform at a very, very high level under pressure that most of us are not under, at a personal risk level, and in the face of criminal conduct. This bill adds to that burden, and I note that for the House. We are adding to the personal risk taken on by a director and the potential opportunity for them to be sent to prison by the government for acting inappropriately. Of course the government has a role to regulate and legislate, and company directors need to act ethically and within the law. It is important that we make sure they do.

The member for Fraser came into the House and went on with an expansive diatribe about who has wealth in our society. In one sense I am happy about that because it is the genuine socialist intention of the Labor Party coming to the fore in the member for Fraser, and I say we should have more of it. When socialists were socialists and conservatives were conservatives, I think things were better. With the modern Labor Party today it is hard to work out what they are. The member for Fraser certainly went on with a diatribe about who holds wealth in our society. What he failed to recognise with the increase in personal wealth of the top one or two per cent or the top five or 10 per cent was that with that increase in personal wealth came a massive increase in the wealth of our entire society. What we are seeking as a government and as a nation is to increase the wealth of all of us, to increase the ability of a person to earn a living, to have access to opportunity to make good for themselves. We should not instinctively get upset about it when somebody does well for themselves and earns a great pay packet, even if it is more than ours. I can tell you, each one of those people named by the member for Fraser and the member for Moreton earns probably more than I ever will in my
lifetime, but I do not have a problem with that. It is the best system devised by man. As Winston Churchill once famously said, democracy is the worst of all systems, except for all the rest. He was right about that. Some people lament that capitalism produces very wealthy people, but capitalism lifts everybody in our society. Every other system that the member for Fraser mentioned drags everybody down—workers get dragged down, corporations get dragged down, executives get dragged down. That dragged-down model that the member for Fraser highlighted as a paragon of virtue makes us all poorer. It has been established in every Eastern European country and other parts of the world that experienced communism or socialism that to the greater degree they had such a system, the poorer their nations were. Many of them are still going through great reconstruction.

I do think that, every time a government backbencher comes in here and says that we have some individuals in our society, whether they be a Wayne Bennett or a company executive, who make more than the rest of us, we have to remember that Wayne Bennett is lauded as a hero in our society regardless of how much money he makes. And so he should be. We should not deride and denigrate those architects of great wealth in our society who are in the private sector. Every time this government says it has created all these jobs, I say it has not created those jobs; they have been created by the capacity of the private sector to invest and to create and grow the wealth of our nation. They are the people who do those things. They are the people who generate the jobs. Every day the Prime Minister says they have created so many jobs. The only jobs she has created through her pink batts scheme and other great spending schemes have come at an exorbitant cost that nobody would pay. If we had the same accountability that company directors face every day from shareholders and regulation, and other systems in this place, I do not think this government would stand up to much scrutiny at all in terms of its expenditure and use of public money and the cost per job of the jobs it says it has created. Any cost-benefit analysis of the jobs created by government expenditure would show they are not competitive with jobs in the private sector. In fact, the cost is exorbitant, lavish and unsustainable.

That is why on legislation like this I am happy to speak in favour of provisions that empower shareholders and give them greater transparency and allow them to carry out their legitimate function, but I do say to the government that this is not an opportunity for them to denigrate those individuals in our society who work so hard and produce great wealth for everybody. It is not the opportunity to lament a system which allows all of us to earn more and do better. We have great small businesses in our country that can become medium enterprises or large enterprises, and that is a great thing. We have people who can start their own enterprise and become very wealthy, and that is a great thing. We have people who choose to become senior executives or managers of companies in our society, and they should be free to earn what they deserve to earn, as decided by their shareholders and other people. This narrative that the government is building around this bill does not match the reality of what these provisions are actually going to do. Many of these provisions are good and ethical, and many of them I think will add to the regulatory burden, which will create greater and greater risk. My main point in supporting this bill is simply that we should not always seek to regulate first and think later.

M_{r} \text{ NEUMANN (Blair) (17:29): I support the Corporations Amendment}
(Improving Accountability on Director and Executive Remuneration) Bill 2011. When I heard the member for Mitchell speaking about communism and socialism I thought I was back in the 1940s and 1950s. He never gets past history lessons—it is extraordinary. The member for Mitchell and so many of those opposite truly believe in Reaganomics, the trickle down, giving bits and pieces, cents and pennies to the serfs, while they suck up to the captains of industry. It really is quite extraordinary.

We are looking at transparency and accountability in corporate Australia. Those opposite parade and pose about being supporters of the market and free enterprise. Yet it took a Labor government to bring in trade practices legislation in 1974 and consumer and competition reform. Those opposite did not do it. Did those opposite want to open up the banking system? No, they did not. It took a Labor government to do that—to lower tariffs, to internationalise the economy, to float the dollar, to bring in superannuation, all the great reforms with respect to economic development. But the idea of those opposite when they were in power was simply to tax the Australian public and they never found a rort they did not want to support with respect to middle-class welfare. They always side with big tobacco, big distillers and big business.

We hear speeches from those opposite saying this sort of thing all the time, accusing us, through this legislation, of communism or socialism. For heaven's sake! We are trying to empower shareholders. We are trying to strengthen the regulatory framework to empower shareholders when their outrageous and egregious rorting of what the average person would think is overly generous executive remuneration takes place. That is what we are trying to do. I have heard the member for Mitchell speak. You would not think he was speaking in support of the legislation. You would not think those opposite actually support the legislation but in fact they do because they know very well that when you go to AGMs for public companies and to corporate boardrooms executive remuneration is always a topic of discussion.

We know that the Australian public does not like egregious executive remuneration packages and we know that particularly in view of the global financial crisis. We know what happened in America, across Europe and in this country at that particular time. Did we see a diminution in the payouts given to executives? Many of those companies failed. I am not going to start naming those companies here. It was on the public record. Australians, Americans, Europeans and people across the globe saw payouts from government, we saw bank guarantees and massive amounts of taxpayers' dollars propping up the corporate sector—banking, finance and business. Yet did we see the reciprocity of stringency? Did we see thriftiness? Did we see cutbacks generally from the corporate barons? No, we did not. We saw those people take the public money but they kept the private money for themselves in their profits.

Middle- and working-class Australia supported the corporate sector during the global financial crisis. Taxpayers did it. That is why we went into deficit—to support jobs and to support the business sector. Still there was no mutuality from the corporate sector. We did not see the same degree of frugality that was necessary.

Here we are making sure that mums and dads who are shareholders, small business operators, middle Australia, battling Australia, people who have been doing it tough in the past few months, in cyclones, floods and fires across this country, who are shareholders through their superannuation
funds or privately in their family financial arrangements, have a better say with respect to corporate democracy and greater transparency and accountability, but those opposite cannot even see that. They make speeches in this place like the member for Mitchell, putting up straw men and hailing to the chief of Reaganomics.

The trickle-down effect is what those opposite believe in. We believe in free markets and we believe in free enterprise. We think that giving small business operators and mums and dads who are shareholders a greater say in corporate democracy will be good for the Australian economy, good for financial security and good for regulatory and corporate practice. That is why we are doing what we are doing. And, I say to the member for Mitchell, we are following the advice of the Productivity Commission.

As far as I am aware, the Productivity Commission is not affiliated to the Australian Labor Party. It is full of people who actually believe in free enterprise, who recommend in the main that we adopt free enterprise solutions with respect to economic prosperity and the economic development of the country.

In April 2010, the government announced reforms to strengthen the remuneration framework in response to the Productivity Commission's report. Does the member for Mitchell think somehow that the Productivity Commission is a bunch of closet communists or socialists? I do not think so. You can read any of their reports with respect to so many areas—for example, they handed down a draft report on aged care earlier this year. I cannot see that somehow that is full of communist rhetoric or is something Karl Marx would have loved. We have taken up this particular recommendation from the Productivity Commission and we have carried it out.

The Productivity Commission actually said that corporate Australia in terms of its governance and remuneration framework was amongst the best in the world and ranked high internationally. That is what they recommended. They made a number of recommendations which would improve that and this bill contains those measures. The Productivity Commission made clear that directors need to be accountable to shareholders for decisions with respect to executive remuneration, to address conflicts of interest, particularly with respect to setting the processes for executive remuneration. The Productivity Commission recommends things and we have followed up those recommendations. The point of the matter is this—and those opposite should really take note of this. The catalyst for this inquiry was the concern that executive pays had got out of hand. Some people in this place have actually listed some executive pays. Let me say this about the banking sector in this country—the big four—which, through the global financial crisis, benefited from the federal Labor government's management and its provision of bank guarantees. They have some of the highest paid executives in the country, with the Commonwealth Bank of Australia now at the top of that list. Their chief executive, Ralph Norris, earns a remuneration package of $16.2 million. He might have skills, talent and ability which deserve money in the marketplace, but if you were a police officer and your wife a part-time secretary and you were living in flood affected Booval, in my electorate, you would think that $16.2 million is a pretty large salary.

That is not the only example. There are people like Westpac chief executive Gail Kelly, who earns $9.6 million. We want to make sure that, if these types of salaries are
paid, shareholders have a say in decision making about it and that it is not simply driven from above, with boards of directors running the show in a way that lets them set their own remuneration with little transparency, accountability or corporate democracy.

The chief executive of the Australian Shareholders Association recently welcomed this report, saying:

The Global Financial Crisis demonstrated the consequences of excessive risks taken by many companies and their executives. We saw corporate collapse and billions of dollars of shareholder value disappear into thin air from poor management decisions. However, executives were never really held accountable.

He also said:

We have long argued that the interests of directors and executives should be aligned with those of shareholders and the community. It seems somewhat difficult for the average Australian to comprehend how his or her job and financial survival can be constantly questioned, while senior executives can preside over huge losses and destruction of value, and at the same time receive a bonus.

This bill does address those concerns. It contains a provision to subject directors to greater scrutiny and accountability through the two strikes test, which people have talked about, if they do not respond to shareholder concerns on remuneration issues. The provision will give shareholders the opportunity to remove directors if the company's remuneration report receives a 'no' vote of 25 per cent or more at two consecutive annual general meetings.

New transparency requirements will apply to remuneration consultants—and I know the member for Mitchell is not happy about that—where there are conflicts of interest. The package eliminates those conflicts by prohibiting directors and executives who hold shares from voting on remuneration issues. I cannot see how that is a problem. If there are conflicts of interest in local government, people abstain. I have been on the board of numerous church and charitable organisations and, if there are conflicts of interest, people abstain. I cannot see a problem in that regard with respect to corporate Australia.

The bill will ensure that shareholders have the ultimate say in the composition of the board. Public companies will be required to obtain the approval of shareholders in order to declare, at a company meeting, that there are no vacant board positions. And that is the way some boards of directors run the show at times—you get your little group together and, if you are all of one mind, you can all look after one another. We want to make sure that that is open and transparent as well.

I think the bill demonstrates the proactive leadership of the government in this regard and I think the average Australian will think it is appropriate to empower shareholders in this way. I think the average Australian in my electorate—in Blair, in Ipswich or in the Somerset—will think that we are responding appropriately to the Productivity Commission report and that we are doing the right thing by investors.

I think that corporate Australia needs to have a look at community trust. I think there is a fundamental issue in that regard. I think corporate Australia really needs to have a look at that. We understand that there is a shift to incentive pay structures. We understand that—that is what is happening globally and, if Australian companies want to compete in the global market, that has to occur. We can understand wanting to hire the best person for the job and the need to pay that person appropriately—to structure the pay, the salary and the remuneration to maximise their performance. When I was in business myself, as a senior partner of a law
firm, and I hired staff, I did that—I made sure I got the best person possible and I paid them the best salary I could to do so. It has often been described as a war for talent. We know that.

But we cannot pay egregious salaries in a way that betrays community trust. The instances of excessive executive payments and perceived inappropriate behaviour simply reduce the confidence of investors and reduce the confidence of Australian taxpayers, and the Australian community generally, in the corporate sector. We do not want corporate Australia to be criticised by the Australian public; we want the Australian public to support the corporate sector. We want that because we want to make sure that every kid who lives in my electorate and electorates across the country can have a job, get financial security and achieve everything they want in life. We want those kids to aspire to become teachers and doctors and lawyers and company executives and engineers and politicians and physiotherapists. We want them to achieve everything they want in life, but we do not want them to lose trust in the employment arrangements of corporate Australia, whether the employer is in banking, finance, superannuation or anything else.

This legislation is good. It is not about communism; it is not about socialism; it is about supporting community trust in the corporate sector in this country. It is about transparency and accountability. It is about good practice. It is about making sure that boards are accountable to shareholders in the way the Productivity Commission recommends. This is not about a betrayal of free enterprise and the market system; this is about strengthening that. It is only Labor that truly believes in free enterprise and it is only Labor that truly believes in the market economy. Those opposite say one thing but when they get into power they do something else. The whole history of the Liberal Party is about betraying the workers and the forgotten people that Robert Menzies claimed the Liberal Party should aspire to support. Their whole purpose has been to betray and to be on the side of big business, and that is why the member for Mitchell make speeches such as the one he made tonight. (Time expired)

Debate adjourned.

**MINISTERIAL STATEMENTS**

**Bali Nine**

Mr RUDD (Griffith—Minister for Foreign Affairs) (17:44): by leave—I wish to inform the House that our ambassador in Indonesia has informed me that the Indonesian Supreme Court has today accepted Scott Rush's appeal against his death sentence and has instead sentenced him to life.

Australians will greet this decision with relief. The Australian government welcomes this decision by the Supreme Court. It is a bipartisan policy in this country that we oppose the death penalty. The government remains in close touch with Mr Rush and his family. Mr Rush's parents have been informed. His parents have shouldered a heavy burden over these years of waiting.

There are, of course, two other Australians on death row in Indonesia, and Mr Chan and Mr Sukumaran have also launched judicial appeals against their death sentences. We will continue to provide consular support to both men and their families.

Having spoken to the Rush family, who come from Brisbane, on a number of occasions over a period of time, I am sure the family will welcome this decision with great relief.

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (17:46): I rise to support the comments made by the Minister
for Foreign Affairs in relation to the news on
Scott Rush, one of the Bali Nine, who was
convicted of drug trafficking and whose
appeal to reduce the penalty from death to
life imprisonment has, as we understand it,
now been successful.

Scott Rush was a young man, aged 19, at
the time. It was his first visit to Bali, but he
had a somewhat troubled past. If ever a
lesson was needed for people to understand
that, whatever we might think of the judicial
system or the penalties in place, we must
abide by the laws of other countries then this
is it. I note that at the time of his sentencing
Scott Rush put up on a website these words:
I apologise for bringing shame on Indonesia and
Australia, my parents, family and friends. I am
very, very sorry for my actions. I know many
people have been hurt by illegal drugs, such as
my parents, and people who take illegal drugs,
and I am so sorry. I did say all this publicly in
court.

He is a young man who has learned a very
harsh lesson. Our thoughts are with his
family and his friends. However harsh it may
seem to Australians, we welcome this
decision of the Indonesian courts.

BILLS

Corporations Amendment (Improving
Accountability on Director and
Executive Remuneration) Bill 2011

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr BRIGGS (Mayo) (17:48): I rise to
speak on the Corporations Amendment
(Improving Accountability on Director and
Executive Remuneration) Bill 2011. The
coalition, as indicated by the shadow
Treasurer, largely support the bill but we
have reserved our right to move some
amendments at a later time and in another
place. We support the bill because it
implements some of the recommendations
made by the Productivity Commission in its
recent inquiry into executive remuneration in
Australia, which reported on 14 January
2010. It was one of the myriad reports and
inquiries that the Labor government has
implemented since it came to office in
November 2007.

Of course, talking on a financial bill on
budget day is a coincidence. I note to the
House that tonight we will see some of the
consequences of the Labor Party’s
mismanagement of Australia’s finances and
Australia’s budget situation when we see, in
just a couple of hours, one of the biggest
deficits ever laid down in this place.

It is a concern any time the Labor Party
moves any sort of regulation in this space
because we see that when they move into
this space they do not do it well.

The coalition understands that there is
broad community concern about executive
remuneration, particularly during the bank
reporting season. In some respects I
understand that the numbers paid to some top
executives are beyond community
expectations. It should not surprise anyone
that those concerns are raised through the
media, through our offices and through
discussions at community forums around the
place. However, there is always a danger in
this game that we identify problems without
any reasonable expectation that we can solve
them. It is easy to play the politics of envy
and it is easy to do the ‘us versus them’, but
we do our constituents a grand disservice if
we raise expectations of fixing a problem we
cannot ever realistically address. The truth is
that company directors and the shareholders
of companies make decisions on how much
they pay their executives, their CEOs and their staff.

The other fact of the matter is that we are part of a global economy and we have to compete for labour and skills at all levels. And this is one of the areas in which we have to compete for skills. So we do need to be careful, in some of the contributions from members opposite, that we are raising expectations in the community that these amendments will massively change the way that these salaries are brought about and the amounts that do seem at times to be beyond community expectations, because the fact is that even with these changes we are not going to see smaller executive remuneration in the very near future. In fact, I would hazard a guess that this year we will see some quite extraordinary amounts of money paid to individuals based on the performances of their companies. In particular, as we have a very strongly performing mining sector, we are going to see some very large amounts paid to people involved in it. The government is not going to stop that, and constituents in my electorate will understand that the government and, for that matter, those of us on this side do not seek to do so. What we do seek to do is empower shareholders more, particularly when the Productivity Commission, whose work I have a very high regard for, is making some sensible recommendations on how we do that. The recommendations in this bill, as I said at the beginning of my contribution, in large part are recommendations that the coalition can and will support in amending the bill.

I referred to the politics of envy that those on the other side occasionally like to play on these matters—the raising of 'us versus them' because it is cheap and easy politics to get a run out of. Recently we saw a very bad example of that. The Treasurer, who will shortly deliver the budget, a budget in which he is handing down a $50 billion deficit to add to our massively building debt, a month or so ago made some ill-informed and unfortunate comments in the media in relation to the payment structure for the Governor of the Reserve Bank. I know there have been people on my side of politics who have been critical of some of the actions of the Governor of the Reserve Bank, but while those on the other side like to pat themselves on the back for their management of the economy during the global financial crisis I think there is little doubt that Glenn Stevens, through the actions that he took through monetary policy, played a very significant role in ensuring that Australia survived the worst of the global financial crisis. He has had a very well thought through and clearly set direction in the way in which he has managed Australia's monetary policy in recent years, and it was a big mistake to raise the issues in relation to his salary, given the amounts that people who are managing similar institutions are paid in his industry not just in Australia but also around the world. The governor goes about his job in a very competent fashion and he does what we in this parliament ask him to do, which is manage Australia's monetary policy. He does an excellent job particularly within the band of inflation. It was very ill-informed of the Treasurer to go down the populist road and raise those issues just a few weeks ago in a 'politics of envy' style. Unfortunately, it was what we have come to expect from a man who should really be focusing on how to bring the Australian fiscal position back to a much more reasonable position. If the Treasurer did his job half as well as the Governor of the Reserve Bank does we probably would not be seeing some of the numbers in tonight's budget.

As I said at the beginning of my contribution, the coalition largely supports the direction of this bill. We will have some
concerns in the Senate, which the shadow Treasurer so ably, as usual, outlined in his contribution to this place some time ago, back in March. Amendments to the bill will be well thought through and well-considered. It is a bill which seeks to empower, largely, shareholders. It seeks to make some changes around voting. It seeks to make some changes in relation to remuneration consultants. I understand that the member for Mitchell reflected on those earlier, which seemed to start up the comical contribution of the member for Blair; it got him a little bit worked up earlier. The bill deals with the hedging of incentive remuneration. It deals with the declarations of no vacancies at annual general meetings. It deals with the way that proxies and remuneration reports are dealt with and with recommendations out of the Productivity Commission, which should be taken seriously. I do not think there is any doubt about the quality of the work that the Productivity Commission does for the Australian public; it is always there.

In those respects the coalition is broadly supportive of this bill and will not oppose it, but we will be seeking to make some changes at a later time.

Debate adjourned.

Sitting suspended from 17:58 to 19:30

Appropriation Bill (No. 1) 2011-2012

First Reading

Message from the Governor-General transmitting particulars of proposed expenditure and recommending appropriation announced.

Bill and explanatory memorandum presented by Mr Swan.

Bill read a first time.

Second Reading

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (19:31): I move:

That this bill be now read a second time.

Introduction

The purpose of this Labor government, and this Labor budget, is to put the opportunities that flow from a strong economy within the reach of more Australians.

To get more people into work, and to train them for more rewarding jobs. So that national prosperity reaches more lives, in more corners, of our patchwork economy.

To take full advantage of the seismic shift in global economic power, which positions us as a prime beneficiary of tremendous economic growth in our region.

And to succeed in the good times as we did in the bad—by choice, not by chance—by applying the best combination of hard work, responsible budgeting, and well-considered policies to the difficult challenges ahead.

This budget is built on our firmest convictions:

That just as our focus on jobs helped Australia beat the global recession, so too can a focus on jobs ensure we maximise our advantages in the Asian Century.

And just as deficits are the right thing to fight a global recession, or to rebuild from natural disasters, so too are surpluses right for an economy set to grow strongly again.

We have imposed the strictest spending limits, delivering $22 billion in savings to make room for our key priorities, ensuring our country lives within its means.

We are on track for surplus in 2012-13, on time and as promised—and this provides the solid foundations for the targeted investments we announce tonight.

Australia emerged strongly from the global recession, creating hundreds of thousands of jobs while our peers shed millions of jobs.
Our public debt is a tiny fraction of that carried by comparable economies, our fiscal position is the envy of the developed world. An investment boom is gathering pace.

Yet our patchwork economy grows unevenly across the nation.

Natural disasters have devastated families, cities and towns. The high dollar hurts our tourism and, of course, many manufacturing industries, especially small businesses.

For some, talk of an investment boom seems divorced from reality. Wages are growing, yet many live paycheque to paycheque. Not every region prospers. Not every health service is as good as it can be, especially for the mentally ill.

Unemployment has a four in front of it, yet some households have never had a breadwinner. The economy cries out for workers, yet too many are left behind, unwilling or unskilled—and untouched by the dignity of work.

That is why the core of this Labor budget is:

- a plan to build the more productive workforce our economy needs, including a $3 billion training package, new ways to get people into work, and critical new investments in economic infrastructure;
- a plan for better schools, hospitals, and health care, including a total of $2.2 billion for mental health services and $1.8 billion for regional health facilities;
- and cost of living relief for families, investments in a sustainable Australia, and new assistance for small businesses and manufacturers.

All while making the difficult decisions necessary to get back in the black by 2012-13—light years ahead of other major advanced economies.

**Economic Outlook**

Nobody will forget the recent natural disasters which destroyed lives and livelihoods, here and abroad. The human tragedies are foremost in our minds, but there are economic consequences as well.

The floods and Cyclone Yasi will cost our economy $9 billion in lost output and reduce real GDP growth by ½ of a percentage point in 2010-11.

Combined with the impact of disasters in New Zealand and Japan, the hit becomes ⅔ of a percentage point this year—pushing growth well below its long-term average.

These events have shaken our economy, but they have not knocked our economy off its course. Real GDP growth is forecast to be a strong four per cent in 2011-12 and 3¾ per cent in 2012-13.

Over 300,000 jobs have been created in the past year and the unemployment rate is forecast to fall further, to 4½ per cent by mid 2013, creating another half a million jobs. Mining investment will rise to around eight times the level preceding the boom to $76 billion in 2011-12, underpinned by the highest sustained terms of trade in 140 years.

But not every family or business is feeling the immediate benefits.

The dollar is around post-float highs and this makes it difficult for some sectors, particularly those that compete in international markets.

We see lingering effects from the global recession in consumer caution, a slow improvement in people's wealth, and tighter credit, all of which have had an impact on government revenue.

But with the investment pipeline ramping up and unemployment falling, the boom will test our economy and our workforce, and price pressures will re-emerge.
That is why we have strict spending limits—so that we do not compound these pressures—and why this Budget will help get more Australians into better jobs, improving productivity and participation.

**Building the Productive Workforce our Economy Needs**

Tonight I announce Building Australia's Future Workforce, a plan to help industries get the skilled workers they need, to modernise apprenticeships, and to ensure more Australians enjoy the economic and social dividends of work.

**Training**

Our plan begins with a new approach to training:

Putting industry at the heart of a $558 million National Workforce Development Fund that will deliver 130,000 new training places over four years;

Better meeting the needs of industries and regions with a $101 million national mentoring program to help 40,000 apprentices finish their training;

Accelerating apprenticeships, letting them progress as they acquire the right skills, by investing $100 million in more flexible training models;

Plus up to $1.75 billion, in addition to our existing $7 billion investment, to leverage ambitious reforms of the vocational education and training system with the states;

And funding 30,000 more places in the Language, Literacy and Numeracy Program to provide the basic skills essential for a job.

Along with training more Australians for work, we also need to attract highly-skilled migrants to live and work in regional Australia.

For the first time, we will allocate 16,000 skilled migration places to the regions, complemented by Regional Migration Agreements for communities with skill shortages, and we will introduce Enterprise Migration Agreements for large resource projects in return for a financial contribution to train Australians for the future.

**Participation**

Better training is essential for the workforce our economy needs, as is encouraging, rewarding, and insisting on the participation of more workers.

**Providing opportunity, demanding responsibility**

We believe in extending the benefits of work to every capable Australian—single parents and jobless families, young Australians, the very long-term unemployed, the disabled, and older workers whose experience we need and value.

In a growing economy like ours, we cannot justify the fourth highest proportion of jobless families in the developed world.

A wealthy country like ours has no excuse to leave people out of work.

So we will cut effective tax rates for 50,000 single parents by up to 20c in the dollar, invest $80 million in their skills, and transition more parents with high school kids onto job search payments.

To remove tax breaks that encourage people without kids to stay at home, we will phase out the dependent spouse tax offset beginning with partners under 40.

To remove incentives for young people to leave study for the dole queue, we will extend Earn or Learn requirements to 21-year-olds and create new pathways to full-time employment for early school leavers.

To get the very long-term unemployed into work, we will invest $233 million in new support programs and 35,000 targeted wage subsidies—encouraging employers to
hire those who have not worked for more than two years.

To slow the growth of disability support pension numbers and get more people in the workforce, we will bring forward strict new work tests, update the definition of incapacity, introduce new requirements for younger recipients, provide more wage subsidies, and allow more hours to be worked before payments are suspended.

To address entrenched disadvantage, we will introduce participation plans for teen parents and new requirements for jobless families. We will extend income management, and develop new place-based programs to support local and regional employment.

For seniors, our work bonus now allows an extra $125 a week of earned income before their pensions are affected, and we will better recognise their skills and experience.

Infrastructure

Our focus on training and participation is crucial to building productivity, as is our focus on infrastructure.

That is why we are building the National Broadband Network and investing $36 billion in vital roads, railways and ports, like the Moreton Bay Rail Link in Queensland, the Gateway project in Western Australia, the Western Ring Road upgrade in Victoria, and now additional funds to duplicate the Pacific Highway.

Tonight I announce new approaches to supplement our proud nation building record.

We will help remove barriers to private investment in nationally significant public infrastructure by reducing the tax uncertainty that lengthy and complex projects face.

We will strengthen Infrastructure Australia with extra funding and greater independence, and we will produce the first ever national construction schedule to give super funds and other investors the certainty they need to invest with confidence.

Better Hospitals, Health Care and Schools

We will keep our economy strong so that we can invest in the things all Australians rely on: better health care and education wherever they live.

Health Care

We are already guaranteeing $16.4 billion in additional growth funding for public hospitals over six years, and another $3.4 billion over four years for emergency departments, elective surgery and 1,300 subacute hospital beds.

I announce tonight a total of $1.8 billion in investments in hospitals and health care for our regions, from the latest round of the Health and Hospitals Fund.

New funding of $717 million over five years will expand access to diagnostic imaging services and make new medicines and immunisations more affordable.

An extra $53 million will improve access to public dental services, particularly for those on low incomes, as a first step towards significant reform in 2012-13.

Tonight I am particularly proud to announce new improvements to mental health services.

Untreated mental illness can lead to disengagement, unemployment, family breakdown, substance abuse, homelessness and, sadly, suicide.

We demonstrate our commitment to addressing mental illness by making the room in a tight budget for $1.5 billion in new initiatives, as part of our $2.2 billion package to deliver better care.

This package will focus on support for the severely ill by funding organisations to co-
ordinate both clinical and social support and helping to relieve the pressure often felt by families and those with a mental illness in navigating a complex system.

We will also address prevention and early detection for young people, by investing a further $419 million in *headspace* and early psychosis prevention and intervention centres, as early intervention often avoids a tragic cycle of hospitalisation and social isolation.

We will also invest in better access to primary care, a more responsive system and a new National Mental Health Commission that will drive future reforms.

**Schools**

This budget also builds on our proud record of lifting education standards, providing $425 million to reward top performing teachers.

The Teach Next initiative will provide $18 million for new pathways into a teaching career.

We will invest $200 million to support disabled school students and we will also extend the National School Chaplaincy program, taking new investment in schools to over $800 million in this budget.

**Helping Families, Regions And Businesses**

While our national economy is strengthening, not all Australians automatically share in the opportunities this creates.

So this budget will help families under financial pressure, regions under pressure to modernise and grow, and industries under pressure from the rising dollar.

**Cost of Living**

We take seriously our responsibility to deliver financial assistance when it is needed and to provide extra support for families with kids at school.

From July this year, we will deliver up to a further $300 a year of the low income tax offset into pay packets, rather than at the end of the year.

We will increase family tax benefit part A for older teenagers by up to $4,208 a year, $161 a fortnight, on top of the $460 million we are providing to extend the education tax refund to cover school uniforms.

We will allow payment advances of up to $1,000 for family tax benefit part A recipients at any time to meet unexpected family expenses and give parents greater choice in when they receive childcare support.

And we recognise prisoners of war from World War II and the Korean War with an additional payment of $500 a fortnight from 20 September 2011.

We know too many Australians are squeezed by rising costs of living and we help where we responsibly can.

That is why we cut income taxes substantially in each of our first three budgets, so that an average income earner now pays around $1,000 a year less tax and that is why we have ensured pensions are now $128 a fortnight higher for singles and $116 higher for couples since the announcement of our historic boost two years ago.

**Regional Policy and Sustainable Australia**

We want prosperity and opportunity to reach all corners of the nation, especially our outer suburbs and regional towns. This is crucial to managing population growth and promoting sustainability right around the country.

Among the most important things we can do to help deal with population pressures is to make regions more attractive places to work and raise a family.
This budget delivers for regional Australia like no budget before it.

Our Sustainable Australia strategy starts with $4.3 billion of investments in regional hospitals, health care, universities and roads.

These investments, along with the NBN, will help lift living standards outside the big cities, provide better health services and educational opportunities and help regional communities reach their potential.

These are crucial investments, but they are only the beginning.

The Prime Minister will lead a rigorous COAG process that asks state premiers to partner with the Commonwealth on reforms of particular relevance to their jurisdiction: from labour mobility to our west to easing congestion in Sydney.

We will begin with $232 million in new strategic investments, including $100 million for suburban employment hubs and $61 million for smarter motorways.

**Small Business and Manufacturers**

Australian businesses embrace fierce competition, but many are feeling the pinch of workforce shortages and our rising dollar.

So in this budget, we do what we can to help small businesses in particular, by replacing the narrow entrepreneurs tax offset with tax reforms that are available to all 2.7 million small businesses.

Last year we announced that from 1 July 2012, we would allow small business to immediately write-off assets below $5,000.

We know the main asset of many small businesses is their ute or van, so the first $5,000 of the cost of a vehicle can now be immediately written off as well.

Because cash flow is the lifeblood of small business, we will reduce tax instalment payments by $700 million in 2011-12, giving vital relief when conditions are tough.

We will give small businesses a head start on the company tax cut that will be funded by our minerals resource rent tax.

And to make sure local enterprises can seize the opportunities presented by the boom, tonight I announce a $34 million package to help Australian manufacturers better supply resource sector projects.

**Getting the Budget Back in the Black**

Mr Speaker, 2011 has been a difficult year for many Australians who have endured floods and cyclones. We have made the necessary decisions to rebuild their communities, including a modest temporary levy.

Despite the total cost to government of over $8 billion, our commitment to tightening our belt has not diminished one bit.

We will be back in the black by 2012-13, on time, as promised.

The alternative—meandering back to surplus—would compound the pressures in our economy and push up the cost of living for pensioners and working people.

We will reach surplus despite company taxes not recovering like our economy.

Losses built up during the global crisis are larger and lingering longer, contributing to reduced company taxes of $8 billion in this budget over two years.

This overhang from the GFC and the global recession, along with a higher dollar and record mining investment and associated tax deductions, are all slowing revenue growth.

Since the last update, tax receipts are down $16 billion in the first two years, taking the whole write-down since the crisis to $130 billion over five years.

The lower tax receipts in this budget account for all the increase in the deficit for
2010-11 and about two-thirds of the increase over 2010-11 and 2011-12.

It means the deficit for 2011-12 becomes $22.6 billion, and net debt will now peak at 7.2 per cent of GDP that year, a tiny fraction of comparable countries.

Our spending restraint means real growth in spending averages one per cent a year over the budget estimates, the lowest average rate in a five-year period since the 1980s.

This is putting us on track for a $3.5 billion surplus in 2012-13.

Just as it was right to step in and support the economy during the downturn, it is now right to step back and make room for private sector activity.

Good decisions now will avoid unnecessary pain in the future.

$22 billion in difficult savings in this budget will strengthen our structural position over time.

We will reform the fringe benefits tax arrangements for cars by introducing a single rate regardless of how far a car is driven, saving $954 million over five years.

This is one of 12 reforms since the last budget which deliver on directions identified by the tax review, including the phasing out of the dependent spouse tax offset, and replacing the entrepreneurs tax offset with better small business policies.

Extending the freeze on the higher income limits for family payments for two more years will also save $1.2 billion and make the system more sustainable. And we will increase the public service efficiency dividend, saving $1.1 billion.

We don't take our savings decisions lightly, and we take no joy from making them. But we take comfort in knowing they are right and necessary to ensure we don't compound the pressures of the boom.

**Economy in Transition**

Labor governments of the past managed the transition from a closed economy to an open economy competing in the world.

Now that the world is changing, we must change as well.

Ours is again an economy in transition.

Global economic weight shifts from west to east—bringing growth and dynamism closer to Australia than ever before.

Our economy transitions from sluggish growth to stretching at the seams; our budget from deficits in tough times to surpluses in better times.

Our industries must transition to the clean-energy technologies of the future, encouraged by a price on carbon.

Having beaten the global recession, we now face these new challenges.

Managing them is the key to our future.

With the right policies and decisions, we can convert an unprecedented mining investment boom into an opportunity boom for more of our people.

We believe in the Australian promise; that if you work hard, you won't be left behind.

We believe our economy can't afford to waste a single pair of capable hands.

And we believe this budget, our tax reforms, and our plans for a carbon price, will set Australia up for the prosperous future all our people deserve.

I commend the bill to the House.

Debate adjourned.

**DOCUMENTS**

**Budget Documents 2011-12**

**Presentation**

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (19:59): For the information of honourable members, I
present the following documents in connection with the Budget of 2011-12:
- Budget Strategy and Outlook 2011-12,
- Budget Measures 2011-12,
- Australia's Federal Relations 2011-12, and
- Agency Resourcing 2011-12

Ordered that the documents be made Parliamentary Papers.

MINISTERIAL STATEMENTS

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (20:00): I present ministerial statements as listed in the document now being circulated to honourable members in the chamber. Details of the statements will be recorded in the Votes and Proceedings.

BILLS

Appropriation Bill (No. 2) 2011-2012
First Reading

Message from the Governor-General transmitting particulars of proposed expenditure and recommending appropriation announced.

Bill and explanatory memorandum presented by Mr Shorten.

Bill read a first time.

Second Reading

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (20:01): I move:

That this bill be now read a second time.

Appropriation Bill (No. 2) 2011-2012, together with Appropriation Bill (No. 1) 2011-2012, is one of the principal pieces of legislation underpinning the government's budget.

Appropriation Bill (No. 2) 2011-2012 proposes appropriation for agencies to meet:
- payments direct to local government, and some national partnership payments through the states, the Australian Capital Territory and the Northern Territory;
- requirements for departmental equity injections; and
- requirements to create or acquire administered assets and to discharge administered liabilities.

Appropriation Bill (No. 2) 2011-2012 seeks approval for appropriations from the Consolidated Revenue Fund totalling $7.396 billion.

Appropriation Bill 1 and Appropriation Bill 2 include a one-off contingency clause apportioning the appropriation for the Department of Human Services between the Department of Human Services, Centrelink and Medicare Australia should the Human Services Legislation Amendment Bill 2011 not receive the royal assent by 30 June 2011. This will enable the three agencies to continue operating from 1 July 2011 until the legislation receives the royal assent. Importantly, these clauses will not change the total amount appropriated by the bills.

Bill 2 also provides for amendments to the Commonwealth Inscribed Stock Act 1911. The amendments will increase the limit on the face value of stock and securities on issue to $250 billion and repeal the special circumstances provision. These amendments provide for the government's financing requirements over the forward estimates and ensure flexibility in implementing the government's objectives for maintaining a liquid and efficient Commonwealth government securities market.

In addition, amendments to the CIS Act will establish two special appropriations. One is for the costs and expenses incurred by the Commonwealth in relation to the issue or sale of stock and the other is for the costs and expenses incurred by the repurchase and redemption of stock prior to maturity. These special appropriations are intended to
provide greater flexibility in managing the debt portfolio and thereby support the efficient management of the government's debt portfolio.

These amendments increase the legislative limit on Commonwealth government securities issuance and borrowings as well as establishing two special appropriations for borrowing and debt management activities.

Details of the proposed appropriations are set out in schedule 2 to the bill, the main features of which were outlined in the budget speech delivered by my colleague the Treasurer earlier this evening.

I commend the bill to the House.

Debate adjourned.

**BUSINESS**

**Suspension of Standing and Sessional Orders**

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (20:05): I ask leave of the House to move a motion relating to arranging a cognate debate on the appropriation bills.

Leave granted.

Mr ALBANESE: I move:

That so much of the standing and sessional orders be suspended as would prevent the following from occurring:

(1) when the order of the day for the resumption of debate on the second reading of Appropriation Bill (No. 1) 2011-2012 is called on, for a cognate debate to take place with Appropriation Bill (No. 2) 2011-2012, and Appropriation (Parliamentary Departments) Bill (No. 1) 2011-2012;

(2) at the conclusion of the second reading debate, including a Minister speaking in reply, and thereafter, without delay, the immediate question, or questions, necessary to complete the second reading stage to be put, and when resolved Appropriation Bill (No. 1) 2011-2012 then being considered in detail and then any question or questions necessary to complete the remaining stages of the Bill to be put without amendment or debate;

(3) at the conclusion of the proceedings on Appropriation Bill (No. 1) 2011-2012, separate questions to be put without further debate on the motions for the second readings and any further motions necessary to conclude consideration of Appropriation Bill (No. 2) 2011-2012, and Appropriation (Parliamentary Departments) Bill (No. 1) 2011-2012 as required; and

(4) any variation to this arrangement to be made only by a motion moved by a Minister.

Question agreed to.

Debate adjourned.

House adjourned at 20.08
NOTICES

The following notices were given:

**Mr Bowen:** to present a Bill for an Act to amend the Migration Act 1958, and for related purposes.

**Mr Albanese:** to move:
That standing order 31 (automatic adjournment of the House) be suspended for the sitting on Thursday, 12 May 2011 and at that sitting, after the Leader of the Opposition completes his reply to the Budget speech, the House automatically stand adjourned until 10 a.m. on Monday 23 May 2011 unless the Speaker or, in the event of the Speaker being unavailable, the Deputy Speaker, fixes an alternative day or hour of meeting.

**Ms Julie Bishop:** to move:
That this House:

1. restates its support for the motion moved by the then Prime Minister and passed by this House on the sixtieth anniversary of the State of Israel, and in particular:
   a. acknowledges the unique relationship which exists between Australia and Israel, a bond highlighted by the commitment of both societies to the rights and liberty of our citizens and to cultural diversity;
   b. commends the State of Israel's commitment to democracy, the rule of law and pluralism; and
   c. reiterates Australia's commitment to Israel’s right to exist in peace and security, and our continued support for a peaceful two-state resolution of the Israeli-Palestinian issue; and
2. notes with concern the fraying of the traditionally bipartisan support amongst Australia's political parties for the State of Israel, and in particular the:
   a. resolution by Greens councillors on Marrickville Council for a boycott of Israel, supported by Labor councillors;
   b. policy adopted by the NSW Greens for an Israel boycott;
   c. decision by the NSW Labor Party to preference the Greens candidate for Marrickville ahead of other candidates who did not support an Israel boycott; and
   d. decision by Labor and Greens councillors on Moreland City Council, Melbourne, to allow the anti-semitic group Hizb ut-Tahrir to use Council premises in August 2010 despite Hizb ut-Tahrir publicly calling for the slaughter of Jewish people, and its enthusiasm for Osama bin Laden.

**Mrs Andrews:** to move:
That this House:

1. notes that:
   a. 24 May 2011 marks the centenary of the launch of an international competition to design an Australian national capital; and
   b. the winning design for Canberra:
      i. by the American architect, Walter Burley Griffin, was announced in May 1912; and
      ii. was a collaboration between Griffin and his wife, Marian Mahony Griffin; and
2. calls on the National Capital Authority to work with the Parliament to arrange an appropriate celebration of the centenary of the choice of the Griffin design for our nation's capital.

**Mr Laurie Ferguson:** to move:
That this House notes the:

1. continuing discrimination and attacks upon Mandaeans on the basis of their religious beliefs;
2. minimal opportunities for internal relocation of Mandaeans within Iraq due to their limited numbers and lack of Government protection;
3. significant numbers that have fled the country either to other nations in the Middle East and from there to nations such as Australia;
4. need for Australia to continue to focus on Mandean claims in our refugee/humanitarian intake; and
5. humanitarian imperative for Australia to raise continuing human rights abuses in Iraq within varied multicultural fora and bilateral dealings with Iraq.

**Mrs Griggs:** to move:
That this House:

1. notes:
   a. that Darwin is currently experiencing the worst housing crisis since Cyclone Tracy, and the...
Minister for Defence Science and Personnel, the Member for Lingiari, supports the plans to demolish or remove the houses in Eaton; and

(b) the significant adverse impact the demolition or removal of 396 defence houses at Eaton will have on the local community, local school and local businesses; and

(2) calls on the Government to:

(a) excise the Darwin suburb of Eaton from RAAF Base Darwin;

(b) hand over the 396 houses managed by the Department of Defence in the Darwin suburb of Eaton, to the Defence Housing Authority (DHA); and

(c) direct DHA as a matter of priority, to develop and implement a business plan that would determine the percentage of the 396 houses in Eaton that could be made available for lease or sale to the local community in order to help address the critical housing shortage.

Mr GEORGANAS: to move:

That this House:

(1) acknowledges the:

(a) occasion of the State Visit to Australia by the President of the Republic of Cyprus, His Excellency Mr Demetris Christofias;

(b) strong and enduring bilateral relationship between the Republic of Cyprus and the Commonwealth of Australia; and

(c) characterisation of the relationship by friendship and cooperation, underpinned by people to people links; and

(2) commends the:

(a) continuing efforts by President Christofias towards the reunification of Cyprus; and

(b) progress made so far in the fully fledged negotiations, and the prospect of further progress in the near future towards a comprehensive, durable and just settlement that safeguards the rights, interests and welfare of all Cypriots.

Mr OAKESHOTT: to move:

That this House:

(1) notes that 28 May 2011 marks the fiftieth anniversary of Amnesty International, a global movement of over three million supporters dedicated to defending and protecting human rights;

(2) recognises the important role Amnesty International continues to play in promoting and protecting human rights and shining a light on human rights abuses around the world;

(3) acknowledges the many achievements of Amnesty International, including its:

(a) integral role in the development, promotion and ultimate adoption of the United Nations Convention Against Torture in 1975, it being awarded the Nobel Peace Prize in 1977 and the Sydney Peace Prize in 2006; and

(b) successful campaigning for the release of thousands of political prisoners around the world; and

(4) notes that from 1961 till the end of 2010 the organisation:

(a) conducted at least 3341 missions to research human rights abuses around the world; and

(b) produced and published an estimated 17 093 reports and public documents including the annual human rights report which is now produced in 25 languages; and

(c) issued over 31 000 urgent actions for individuals at risk.

Ms PARKE: to move:

That this House:

(1) notes that:

(a) by resolution 57/129 of 11 December 2002, the General Assembly designated 29 May as the International Day of United Nations Peacekeepers to:

(i) pay tribute to all the men and women who have served and continue to serve in United Nations peacekeeping operations;

(ii) recognise their high level of professionalism, dedication and courage; and

(iii) honour the memory of those who have lost their lives in the cause of peace;

(b) on 29 May 2011 Australia joins with other nations to commemorate United Nations workers who provide life-saving assistance to millions of people around the world; who work in conflict...
zones and areas of natural hazards; and who place their own lives at risk in the line of duty;

(c) Australia has been a strong supporter of United Nations peacekeeping operations since the first mission in 1947, and is one of the top 20 contributors to the United Nations peacekeeping budget;

(d) the United Nations' total peacekeeping budget is US$7.8 billion, or half of one per cent of global military spending, indicating that building and keeping the peace is overwhelmingly cheaper than the pursuit of war;

(e) there are over 122,000 military and civilian men and women working in 15 different United Nations missions around the world, who are not there for personal gain, rather, they are engaged in maintaining peace and security and in building the political, social and economic infrastructure required to ensure conflict zones can make the transition to peace on a sustainable and lasting basis;

(f) in the last decade, more than 1100 United Nations peacekeepers have died while striving to help those most in need in some of the world's most hostile environments, with recent examples being in April 2011, when:

(i) 28 United Nations staff and 5 non-government organisations workers were killed in a plane crash in Kinshasa in the Democratic Republic of the Congo; and

(ii) 7 international United Nations staff were killed in an attack on a United Nations compound in Mazar-e-Sharif in northern Afghanistan, which was the third direct attack against United Nations personnel in Afghanistan in the past 18 months; and

(g) United Nations and other humanitarian workers are increasingly being targeted for political and ideological reasons; and

(2) commends the vital work carried out by United Nations peacekeepers and other humanitarian workers and calls upon all United Nations member states to ensure the safety and security of United Nations peacekeepers and other humanitarian workers, and to appropriately punish perpetrators of violence against such workers.

Mrs MOYLAN: to move:

That this House:

(1) recognises the provision of affordable medicines through the Pharmaceutical Benefits Scheme (PBS) is central to Australia's health system;

(2) acknowledges that since its inception, the PBS is an uncapped program;

(3) agrees that evaluations of pharmaceuticals for listing under the PBS should be transparent, evidence based, and not subject to capricious political interference;

(4) notes that:

(a) before recommending medicines for listing on the PBS, the Pharmaceutical Benefits Advisory Committee (PBAC) conducts a rigorous evaluation to determine the comparative clinical and cost effectiveness of the proposed medicine;

(b) the three tiers of major applications for PBS listings are designed to promote an efficient Government approval process; and

(c) positive recommendations by the PBAC have nearly always been approved by the Minister for Health;

(5) deplores the Government's new policy that:

(a) despite positive recommendations by the PBAC, all applications for listing will be further scrutinised by Cabinet;

(b) listing of medicines can be deferred indefinitely;

(c) no new PBS listings will occur unless offset savings are found; and

(d) until the budget returns to surplus, these measures will remain in place;

(6) recognises that:

(a) in scrutinising applications, the PBAC already determines value for money; and

(b) under the Government's new policy, access to medicines will be limited and medications which could improve the treatment of chronic or common conditions will remain financially unaffordable for many Australians; and

(7) condemns the Government for prioritising a return to surplus above the wellbeing of Australians.
QUESTIONS IN WRITING

Broadband

(Question No. 40)

Mr Fletcher asked the Minister for Broadband, Communications and the Digital Economy, in writing, on 20 October 2010:

In respect of the roll out of the Government's National Broadband Network in Tasmania, and a statement on National Broadband Network Tasmania's website that the: 'port on the [Network Termination Unit] into which an end user plugs their equipment is a standard Ethernet 10/100Base T interface': (1) does this reflect the interface that is actually being provided; (2) if so, how does this reconcile with the statements by this company and the Government that the network will provide speeds of up to one gigabyte per second, when the use of the interface described would limit speeds actually delivered into homes to no more than 100 megabytes per second.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member's question:

(1) A standard NEC manufactured Ethernet 10/100Base T interface Network Termination Unit (NTU) has been used in Tasmania for the stage 1 'pre release' rollout of the National Broadband Network (NBN) in that State. Stage 1 of the rollout was designed to test network planning and construction techniques under different conditions.

(2) NBN Co Limited is purchasing Alcatel-manufactured Ethernet 10/100/1000Base T interfaces for the rollout of the NBN nationally. This NTU is capable of supporting speeds of up to 1 gigabit per second.

Premises in Tasmania currently connected to the NBN via a standard NEC NTU will be progressively migrated to the Alcatel NTU, meaning that all premises in Tasmania connected to the NBN fibre network will have access to speeds of up to 1 gigabit per second.

Broadband

(Question No. 45)

Mr Truss asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 21 October 2010.

In (a) Bauple, (b) Cherbourg, (c) Cooloola, (d) Cooran, (e) Cooroy, (f) Goomeri, (g) Gunalda, (h) Gympie, (i) Imbil, (j) Kandanga, (k) Kilkivan, (l) Maryborough, (m) Murgon, (n) Noosa, (o) Peregian Beach, (p) Pomona, (q) Rainbow Beach, (r) Tewantin, (s) Tiaro, (t) Tin Can Bay, and (u) Widgee, in the electorate of Wide Bay:

(1) By what date will fibre optic broadband services be available through the National Broadband Network (NBN) to residents and businesses in this locality.

(2) What areas in and around this locality will have access to a NBN fibre optic cable connection.

(3) How many houses and businesses will be offered NBN fibre optic broadband in this locality.

(4) Will the NBN cable (a) be rolled out on power poles, (b) be trenched underground, or (c) use existing trenches, in this locality.

(5) What is the actual cost of providing a NBN connection to households and businesses in this locality.

(6) What opportunities will exist for local contractors to assist in the delivery of the NBN in this locality.

(7) What are the anticipated NBN take up rates for (a) households, and (b) businesses in this locality.

(8) What charges will apply for NBN connections in this locality.

(9) What speeds and bandwidths will be available to subscribers under the NBN in this locality.
Mr Albanese: The Minister representing the Minister for Broadband, Communications and the Digital Economy has provided the following answer to the Honourable member's question:

(1) NBN Co Limited (NBN Co) is developing a detailed timeline for the rollout of the National Broadband Network (NBN) to specific locations across Australia. NBN Co will provide details of the timing of the rollout to specific locations on its website as they become available.

According to NBN Co's Corporate Plan, the entire network will be completed by December 2020.

(2) An indicative list of towns that will have access to an NBN fibre connection has been published by NBN Co and is available at www.nbnco.com.au/our-services/coverage-maps.

NBN Co is moving as quickly as practical to enable the rollout of the NBN, including to localities in the electorate of Wide Bay. However, consistent with any project of this size and complexity, it is necessary that detailed planning and design phases are undertaken to determine the areas that will have access to a NBN fibre connection.

(3) See answer to question 2.

(4) (a) to (c) The Australian Government expects the rollout of the NBN to be as unobtrusive as possible. The need for any aerial deployment of cabling will depend on the availability of underground facilities. Where underground ducting is not available, NBN Co may utilise above ground infrastructure.

The Corporate Plan released by NBN Co Limited on 20 December 2010 indicates that 25 percent of the local network will be deployed aerially. This represents approximately 31,000 kilometres of aerial deployment. This will typically be in brownfield areas with pre-existing aerial infrastructure. This is subject to the completion of Definitive Agreements with Telstra.

In new developments where other services are put underground, it is expected that NBN cables will also be underground.

NBN Co has indicated it will work constructively with councils and communities in rolling out the network.

(5) The actual cost of providing a NBN connection to households and businesses within the Wide Bay electorate will not be known until after the NBN has been rolled out in that locality.

(6) A key objective of the NBN Co workforce development strategy is to ensure there is access to the right skills at the right time in the right place.

NBN Co is working with its partners, contracting companies, vendors, training institutions and private companies to develop a strategy that will identify the supply of qualified people, where they are located around the country, and what skill requirements will be needed to determine the training programs for its workforce.

(7) The anticipated NBN take up rates for the electorate of Wide Bay have not been determined by NBN Co. The NBN Co Corporate Plan assumes that 13.2 million premises will be passed or covered by NBN Co by the end of financial year 2021 with over 8.5 million premises connected – an overall take up rate of 65 per cent across all platforms.

To provide an indication of NBN take up rates, as at 6 April 2011, the percentage of households which had signed up for a fibre connection was:

- 88 per cent at Armidale
- 91 per cent in Willunga
- 78 per cent in Minnamurra / Kiama Downs
62 per cent in Townsville; and

In Brunswick, where the consent process is still underway, 52 per cent have so far signed up.

(8) According to its Corporate Plan, NBN Co will offer a basic service with a download speed of 12 megabits per second and an upload speed of 1 megabit per second at a uniform national wholesale access price of $24 a month.

Wholesale broadband prices will be the same for households and businesses regardless of where they are located in Australia.

Retail pricing levels will be a matter for retail providers that utilise the network and it is anticipated the level and range of retail prices will be comparable to existing prices in the market today.

(9) The government's objective is to connect 93 per cent of premises with fibre to the premises technology providing broadband speeds of up to 100 megabits per second. Fibre is a very scalable technology, allowing future speeds beyond 1 gigabit per second (1000 megabits per second).

All remaining premises will be served by a combination of next generation fixed wireless and satellite technologies providing peak speeds of at least 12 megabits per second.

These technologies represent a significant improvement over speeds currently experienced by users of those technologies today.

**China: United Nations Sanctions on Iran**

(Question No. 70)

**Mr Danby** asked the Minister for Foreign Affairs, in writing, on 15 November 2010:

(1) Has he raised the issue of Chinese firms evading sanctions placed on Iran by the United Nations Security Council under resolution 1929, by supplying Iran's nuclear, missile and military programs with dual-use goods; if so, with whom and what was the outcome; if not, why not.

(2) Can he confirm that the United States State Department Special Advisor for Non-proliferation and Arms Control, Robert J. Einhorn, visited China in September 2010 to hand deliver a list containing evidence of cases involving sales of sensitive equipment.

(3) Has Australia taken any action against Chinese firms evading United Nations sanctions; if so, what action was taken; if not, why not.

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

(1) Australia engages in regular dialogue with China on Iran's nuclear program. Australian officials have discussed with Chinese officials the importance of rigorous implementation by China of UNSC resolution 1929 (2010) and other UNSC resolutions on Iran.

(2) Mr Einhorn's visit to China in September 2010 is on the public record. The substance of Mr Einhorn's visit is a matter for the US and Chinese governments.

(3) The UNSC requires all member states to implement UNSC decisions imposing sanctions. China has responsibility to ensure that Chinese firms do not contravene UNSC sanctions. Australia's implementation of UNSC sanctions applying controls on the supply of goods and services and financial restrictions in respect of Iran apply to any person in Australia, any Australian anywhere in the world and to any person using an Australian flag vessel or aircraft to transport goods or provide services that are subject to UNSC sanctions. Australia's sanctions laws also apply to Australians and Australian companies with respect to the conduct of any foreign body corporate they own or control, but not to the foreign body corporate directly. A foreign firm would therefore only be liable to prosecution by Australian authorities for violating UNSC sanctions if it did so on Australian territory, or using an Australian flagged vessel or aircraft. To date there have been no prosecutions of Chinese firms in Australia on the grounds of violating UNSC sanctions on Iran.
**Broadband**

(Question No. 78)

Mr Fletcher asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 16 November 2010:

What sources of revenue will be provided to the Universal Service Obligation company, and what amount of funding will it receive each financial year from (a) NBN Co, and (b) the Government.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member's question:

On 20 June 2010 the Government announced it would provide dedicated funding to USO Co of $50 million per annum for the financial years 2012-13 and 2013-14, and then $100 million per annum thereafter.

The residual costs incurred by USO Co will be met by industry as is currently the case, including by wholesale providers such as NBN Co.

On 22 October 2010 the Minister released the discussion paper 'Implementation of Universal Service Policy for the transition to the National Broadband Network environment', which sought industry and consumer stakeholder input on the arrangements to implement the Government's policy, including the funding arrangements for USO Co. The discussion paper raised a number of matters on which feedback was sought, including provisions to expand the scope of possible funding sources to support the delivery of the Universal Service Obligation if required.

**Broadband**

(Question No. 110)

Mr Fletcher asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 25 November 2010:

Why was a feasibility study not conducted for the decision to build a $43 billion broadband network.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member's question:

A detailed National Broadband Network Implementation Study undertaken by McKinsey & Company/KPMG was completed in March 2010 and publicly released on 6 May 2010.

The Implementation Study provided 84 recommendations for the government to consider, covering technology, financing, ownership, policy and market structure.

The government is now moving ahead and exceeding its election commitment.

On 20 December 2010, the government released the NBN Co Limited Corporate Plan, which shows that the National Broadband Network will provide all Australians with world class broadband on a financially viable basis with affordable consumer prices.

The broader economy-wide benefits of investment in high speed broadband are well understood and accepted globally. Such benefits have been documented and endorsed by the OECD, Access Economics and a range of other studies. The National Broadband Network will future proof the Australian economy, drive future growth and productivity and generate significant economy-wide and social benefits in addition to the return to government.
Broadband
(Question No. 113)

Mr Fletcher asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 25 November 2010:

In respect of the statement by Mr Mike Quigley, Chief Executive Officer, NBN Co Limited that in constructing the National Broadband Network, two-thirds of cabled premises will be underground local fibre (Senate Environment and Communications Legislation Committee, Supplementary Budget Estimates, 19 October 2010, page 107), suggesting that the remaining one-third of cabled premises will be connected by overhead cable: (a) how many thousand kilometres of overhead cables will be built; (b) what height above the ground will the cables be; and (c) what implications will this have for any plans by electricity distributors or State and Territory governments to put electricity cables underground.

Mr Albanese: The Minister representing the Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member's question:

(a) The Government expects the rollout of the National Broadband Network to be as unobtrusive as possible. The location of any aerial deployment of cabling will depend on the availability of underground facilities. The Financial Heads of Agreement with Telstra announced on 20 June 2010 greatly enhances NBN Co's access to underground facilities. The extent to which cabling will be underground will be a matter that NBN Co will need to look at on an area-by-area basis.

The Corporate Plan released by NBN Co Limited on 20 December 2010 indicates that 25 percent of the local network will be deployed aerially. This represents approximately 31 000 kilometres of aerial deployment. This will typically be in brownfield areas with pre-existing aerial infrastructure. This is subject to the completion of Definitive Agreements with Telstra.

In new developments where other services are put underground, it is expected that NBN cables will also be underground.

(b) The height at which the fibre cable will be deployed will be a matter for NBN Co to consider on an area-by-area basis, consistent with state, territory, and local government planning arrangements.

Some cabling heights are outlined in a voluntary industry code, the Australian Communications Industry Forum Code C524:2004 External Telecommunications Cable Networks. In NSW, where recent changes to planning laws make installation of overhead cabling an exempt development, meaning installations do not require planning approval, installation must take place in a manner consistent with the Code.

(c) The underground installation of electricity cables is a matter for electricity companies to consider.

NBN Co Limited is engaging with utility companies to understand the possibilities of sharing infrastructure or coordinating rollout plans.

Clause 51 of Schedule 3 of the Telecommunications Act 1997 requires carriers to remove aerial cabling from electricity poles where the electricity operator has removed electricity lines from the poles.

Where electricity companies are working with state, territory, and local governments on the possible underground installation of existing aerial infrastructure, they are encouraged to inform NBN Co so this can be taken into account by NBN Co in formulating its rollout plans.

Ministers and Ministerial: Staff Mobile Phones and iPads
(Question No. 133)

Mr Briggs asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 25 November 2010:

(1) How many (a) mobile phones, (b) blackberries and (c) I-Pads are currently allocated to the (i) Minister, and (ii) the Minister's ministerial staff.
(2) In respect of mobile phone usage between (a) 3 December 2007 and 24 November 2010, and (b) 24 June 2010 and 24 November 2010, what was the total cost for (a) the Minister, and (b) the Minister's ministerial staff.

(3) For each month since December 2007, what was the cost of mobile phone usage for each mobile phone account allocated to the (a) Minister, and (b) the Minister's ministerial staff.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member's question:

<table>
<thead>
<tr>
<th></th>
<th>Mobile Phones</th>
<th>Blackberries</th>
<th>I-Pads</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minister</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Ministerial staff</td>
<td>2</td>
<td>10</td>
<td>0</td>
</tr>
</tbody>
</table>

(2) (a) The total cost of mobile phone usage for the Minister between June and November 2010 inclusive was $6,325.77. I am advised that the information requested for the period 3 December 2007 to 31 May 2010 is not readily available. I am also advised while it may be possible to obtain additional billing information from the telecommunications service provider, the information is not disaggregated into a format that could be used to easily extract the information to answer the honourable member's question. The time and resources required to manually extract the data is significant and cannot be justified.

(b) The total cost of mobile phone usage for the Minister's ministerial staff between June and November 2010 inclusive was $18,799.50. I am advised that the information requested for the period 3 December 2007 to 31 May 2010 is not readily available. I am also advised while it may be possible to obtain additional billing information from the telecommunications service provider, the information is not disaggregated into a format that could be used to easily extract the information to answer the honourable member's question. The time and resources required to manually extract the data is significant and cannot be justified.

(3) For the total mobile phone usage costs for the Minister and his ministerial staff between June and November 2010, I refer the honourable member to the responses to questions 2(a) and 2(b) above. I am advised that the information for the months prior to June 2010 is not readily available. I am also advised that the monthly bill for the Minister and his ministerial staff includes both mobile phone usage costs as well as the costs for data downloads using turbo cards, blackberries and an I-Pad and that the resources required to manually extract the required data is significant and cannot be justified.

Ministers and Ministerial Staff: Mobile Phones and iPads

(1) How many (a) mobile phones, (b) blackberries and (c) I-Pads are currently allocated to the (i) Minister, and (ii) the Minister's ministerial staff.

(2) In respect of mobile phone usage between (a) 3 December 2007 and 24 November 2010, and (b) 24 June 2010 and 24 November 2010, what was the total cost for (a) the Minister, and (b) the Minister's ministerial staff.

(3) For each month since December 2007, what was the cost of mobile phone usage for each mobile phone account allocated to the (a) Minister, and (b) Minister's ministerial staff.
Mr Crean: I am advised that the answer to the honourable member's question is as follows:

1. Mobile phones, blackberries and i-Pads allocated to the Minister and the Minister's ministerial staff.

<table>
<thead>
<tr>
<th>Portable Device</th>
<th>Minister—Simon Crean (i)</th>
<th>Ministerial Staff (ii)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile Phones</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Blackberries</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>i-Pads</td>
<td>1</td>
<td>3</td>
</tr>
</tbody>
</table>

2. and 3. The Department of Regional Australia, Regional Development and Local Government was established on 14 September 2010. The expenditure below represents two months mobile phone usage for Minister Crean and the ministerial staff working in the Minister's office.

Mobile phone usage by the Minister for the period 1 October 2010 to 30 November 2010 was $368. Mobile phone usage by ministerial staff for this same period was $424.

Ministers and ministerial Staff: Mobile Phones and iPads

(Question No. 139)

Mr Briggs asked the Minister for Infrastructure and Transport, in writing, on 25 November 2010:

1. How many (a) mobile phones, (b) blackberries and (c) I-Pads are currently allocated to the (i) Minister, and (ii) the Minister's ministerial staff.

2. In respect of mobile phone usage between (a) 3 December 2007 and 24 November 2010, and (b) 24 June 2010 and 24 November 2010, what was the total cost for (a) the Minister, and (b) the Minister's ministerial staff.

3. For each month since December 2007, what was the cost of mobile phone usage for each mobile phone account allocated to the (a) Minister, and (b) Minister's ministerial staff.

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

1. As at 25 November 2010, a total of 0 mobile phones, 12 blackberries and 1 iPad were allocated to the Minister and staff.

2. Between the departments reporting periods of 1 December 2007 and 30 November 2010, the total mobile phone usage cost for the Minister and staff was $74,117.

   Between the departments reporting periods of 1 July 2010 and 30 November 2010, the total mobile phone usage cost for the Minister and staff was $16,891.

3. For each month since December 2007, the total cost of mobile phone usage for the Minister and staff was as follows:

<table>
<thead>
<tr>
<th>Month</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2007</td>
<td>$0</td>
</tr>
<tr>
<td>January 2008</td>
<td>$0</td>
</tr>
<tr>
<td>February 2008</td>
<td>$3,946</td>
</tr>
<tr>
<td>March 2008</td>
<td>$1,533</td>
</tr>
<tr>
<td>April 2008</td>
<td>$812</td>
</tr>
<tr>
<td>May 2008</td>
<td>$1,390</td>
</tr>
<tr>
<td>June 2008</td>
<td>$3,498</td>
</tr>
<tr>
<td>July 2008</td>
<td>$950</td>
</tr>
<tr>
<td>August 2008</td>
<td>$2,245</td>
</tr>
<tr>
<td>September 2008</td>
<td>$4,634</td>
</tr>
<tr>
<td>October 2008</td>
<td>$1,017</td>
</tr>
<tr>
<td>November 2008</td>
<td>$1,801</td>
</tr>
</tbody>
</table>
December 2008 $2,475
January 2009 $2,404
February 2009 $1,590
March 2009 $1,241
April 2009 $5,578
May 2009 $3,304
June 2009 $1,269
July 2009 $987
August 2009 $1,256
September 2009 $901
October 2009 $72
November 2009 $394
December 2009 $206
January 2010 $1,275
February 2010 $1,692
March 2010 $2,947
April 2010 $4,690
May 2010 $681
June 2010 $2,437
July 2010 $4,936
August 2010 $545
September 2010 $4,023
October 2010 $3,147
November 2010 $4,240

These monthly expenses are based on when mobile phone invoices were received and paid by the department. They do not necessarily reflect the actual expenditure for each month as this data was not available via the FMIS at that level of detail.

Ministers and Ministerial Staff: Mobile Phones and iPads
(Question Nos 140, 164 and 167)

Mr Briggs asked the Minister for Health and Ageing, in writing, on 25 November 2010:

(1) How many (a) mobile phones, (b) Blackberries and (c) iPads are currently allocated to the (i) Minister, and (ii) the Minister's ministerial staff?

(2) In respect of mobile phone usage between (a) 3 December 2007 and 24 November 2010, and (b) 24 June 2010 and 24 November 2010, what was the total cost for (a) the Minister, and (b) the Minister's ministerial staff?

(3) For each month since December 2007, what was the cost of mobile phone usage for each mobile phone account allocated to the (a) Minister, and (b) Minister's ministerial staff?

Ms Roxon The answer to the honourable member’s question is as follows:

(1) (i) As of 25 November 2010 the total number of (a) mobile phones, (b) Blackberries, and (c) iPads supplied by the Department of Health and Ageing by Minister:

- Minister for Health and Ageing: 0 Mobiles, 1 Blackberry, 0 iPads;
- Minister for Mental Health and Ageing: 0 Mobiles: 1 Blackberry, 0 iPads;
- Minister for Indigenous Health: 0 Mobiles, 1 Blackberry, 0 iPads.
(ii) As at 25 November 2010 the total number of a) mobile phones, b) Blackberries, and c) iPads by ministerial staff:

- Office of the Minister for Health and Ageing: 0 Mobiles, 13 Blackberries, 0 iPads;
- Office of the Minister for Mental Health and Ageing: 0 Mobiles, 9 Blackberries, 0 iPads;
- Office of the Minister for Indigenous Health: 0 Mobiles, 4 Blackberries, 0 iPads.

(2) The Department of Health and Ageing issue a single telecommunications device which is a Blackberry. The Blackberry is used for dual purposes with mobile and data usage on the single device. Costs supplied below are the charges for the mobile component only based on billing cycles that most closely align with the period in question.

(a) The total cost of mobile usage for each Minister and their ministerial staff from 3 December 2007 to 24 November 2010:
   (a) Minister for Health and Ageing and ministerial staff, $95,966.73
   (b) Minister for Mental Health and Ageing and ministerial staff, $3,093.09
   (c) Minister for Indigenous Health and ministerial staff, $5,762.14

(b) The total cost of mobile usage for each Minister and their ministerial staff from June 2010 to November 2010:
   (a) Minister for Health and Ageing and ministerial staff, $24,601.18.
   (b) Minister for Mental Health and Ageing and ministerial staff, $3,093.09.
   (c) Minister for Indigenous Health and ministerial staff, $5,762.14.

(3) The mobile usage cost for each month since December 2007 for the Minister for Health and Ageing; Minister for Mental Health and Ageing; Minister for Indigenous Health; and their ministerial staff is outlined in the table below. The costs below are based on billing cycles that most closely align with the period in question.

<table>
<thead>
<tr>
<th>Month</th>
<th>* Minister for Health &amp; Ageing</th>
<th>* Minister for Mental Health &amp; Ageing</th>
<th>* Minister for Indigenous Health</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-07</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Jan-08</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Feb-08</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Mar-08</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Apr-08</td>
<td>6451.76</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>May-08</td>
<td>170.58</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Jun-08</td>
<td>5560.32</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Jul-08</td>
<td>2638.64</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Aug-08</td>
<td>5146.71</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sep-08</td>
<td>573.19</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Oct-08</td>
<td>Nil</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Nov-08</td>
<td>5104.46</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Dec-08</td>
<td>681.15</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Jan-09</td>
<td>1250.16</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Feb-09</td>
<td>4944.45</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Mar-09</td>
<td>1826.53</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Apr-09</td>
<td>2989.64</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>May-09</td>
<td>1436.11</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Jun-09</td>
<td>479.27</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
Ministers and Ministerial Staff: Mobile Phones and iPads
(Question No. 168)

Mr Briggs asked the Special Minister of State for the Public Service and Integrity, in writing, on 25 November 2010:

(1) How many (a) mobile phones, (b) blackberries and (c) I-Pads are currently allocated to the (i) Minister, and (ii) the Minister’s ministerial staff.

(2) In respect of mobile phone usage between (a) 3 December 2007 and 24 November 2010, and (b) 24 June 2010 and 24 November 2010, what was the total cost for (a) the Minister, and (b) the Minister’s ministerial staff.

(3) For each month since December 2007, what was the cost of mobile phone usage for each mobile phone account allocated to the (a) Minister, and (b) Minister’s ministerial staff.

Mr Gray: The answer to the honourable member’s question is as follows:

(1) As at 25 November 2010, the number of devices allocated were**

(a) (i) two (ii) none
(b) (i) none (ii) eight
(c) (i) none (ii) none

As expenditure reporting in Finance is conducted on a monthly basis, the Department is unable to provide information corresponding to specific dates, however, the data provided covers the period requested. Telecommunications accounts are established and managed in Finance as one account for the Minister’s Office. On this basis, the costings provided do not distinguish between Ministers and ministerial staff.
(2) and (3)

<table>
<thead>
<tr>
<th>Date Range Requested</th>
<th>Date Range Provided</th>
<th>Usage Cost**</th>
</tr>
</thead>
<tbody>
<tr>
<td>2(a) 3 December 2007 – 24 November 2010</td>
<td>14/09/10 – 15/12/10*</td>
<td>$4177.97</td>
</tr>
<tr>
<td>2(b) 24 June 2010 – 24 November 2010</td>
<td>14/09/10 – 15/12/10*</td>
<td>$4177.97</td>
</tr>
<tr>
<td>3 December 2007 – August 2010</td>
<td>NA*</td>
<td>$0.00</td>
</tr>
<tr>
<td>September 2010</td>
<td>17/09/10 – 15/10/10</td>
<td>$1489.49</td>
</tr>
<tr>
<td>October 2010</td>
<td>16/10/10 – 15/11/10</td>
<td>$1869.25</td>
</tr>
<tr>
<td>November 2010</td>
<td>16/11/10 – 15/12/10</td>
<td>$819.23</td>
</tr>
</tbody>
</table>

* It should be noted that the Special Minister of State for the Public Service and Integrity was created with the release of the second Gillard Ministry on 14 September 2010 – as such no data is provided for the period prior to this date.

**All figures quoted above are shared between the Department of the Prime Minister and Cabinet and the Department of Finance and Deregulation, in accordance with the SMOS’ dual role as Special Minister of State for the Public Service and Integrity and Special Minister of State.

Broadband
(Question No. 172)

Mr Baldwin asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 8 February 2011:

1. What number of premises in Australia will be connected to the National Broadband Network.
2. Of these premises, how many will be connected to (a) fibre-based, (b) wireless, and (c) satellite, services.
3. Of those premises that will be connected to fibre-based services: (a) by State and Territory, what number will be located in (i) major cities, (ii) inner regional Australia, (iii) outer regional Australia, (iv) remote Australia, and (v) very remote Australia; and (b) on what date will the final connection be made.
4. Of those premises that will be connected to wireless services: (a) by State and Territory, what number will be located in (i) major cities, (ii) inner regional Australia, (iii) outer regional Australia, (iv) remote Australia, and (v) very remote Australia; and (b) on what date will the final connection be made.
5. Of those premises that will be connected to satellite services: (a) by State and Territory, what number will be located in (i) major cities, (ii) inner regional Australia, (iii) outer regional Australia, (iv) remote Australia, and (v) very remote Australia; and (b) on what date will the final connection be made.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member’s question:

1. The NBN Co Corporate Plan estimates that 13.2 million premises will be passed or covered by NBN Co by financial year 2021 with over 8.5 million premises connected.
2. (a) 93 per cent of premises will be covered by fibre to the premises technology.
   (b) 4 per cent of premises will be covered by wireless technology.
   (c) 3 per cent of premises will be covered by satellite technology.
3. (a) NBN Co is developing a detailed rollout plan as part of its planning processes and will provide details of the rollout on its website as they become available.
   (b) As outlined in the 2011-2013 Corporate Plan, NBN Co forecasts it will achieve full deployment of the NBN by December 2020.
4. (a) Refer Answer to (3) above.
   (b) Refer Answer to (3) above.
Climate Change  
(Question No. 175)

Mr Oakeshott asked the Minister for Climate Change and Energy Efficiency, in writing, on 8 February 2011:

(1) Can he confirm that at the Kyoto climate change conference on 11 December 1997, and with the full support of the Federal Cabinet and Coalition parties, the (then) Prime Minister and Minister for the Environment negotiated and formed ‗The Australian Clause‘ of the Kyoto Protocol (Article 3.7), allowing Annex I parties to include greenhouse gas emissions from land use change in 1990-base year calculations.

(2) Can he confirm the accuracy of Mr Clive Hamilton‘s statement in his speech The Political Economy of Climate Change (The Milthorpe Lecture, Macquarie University, Sydney, 8 June 2006): ‗The Government knew that land clearing had declined sharply since the accepted base year of 1990, so even before the ink was dry, Australia‘s emissions had fallen by 5 to 10 percent…‘.

(3) Is it a fact that after the Kyoto climate change conference the (then) Government paid the Queensland and NSW governments in excess of $100 million to introduce more restrictive native vegetation laws which limited property rights on approximately 100 million hectares of privately owned farming land; if so, is it a fact that to date no monetary compensation has been made to these land owners; if so, what responsibility does the Government take for the diminished income of affected landholders.

(4) Is it a fact that since the Kyoto climate change conference, Article 3.7 has resulted in a reduction of carbon dioxide emissions equivalent to 87.5 million tonnes between 1990 and 2003; if so, does Government data support that this has enabled Australia to make significant gains towards meeting its Kyoto Protocol target of limiting greenhouse gas emissions to 108 per cent of 1990 emissions.

(5) Can he confirm that the United Nations Association of Australia commented on Australia’s commitments under the Kyoto Protocol in 2007 by saying: ‘the real challenge of reducing GHG emissions is from electricity generation and transport which have yet to be addressed.’; if so, is it an accurate statement.

Mr Combet: The answer to the honourable member’s question is as follows:

(1) Former Government Ministers are on public record as having supported inclusion in Article 3.7 of the Kyoto Protocol a provision allowing reductions in land use change emissions to count towards achieving Kyoto emissions targets.

Cabinet documents are confidential to the government that created them and it is a long standing convention, accepted by successive governments, that Ministers do not seek access to documents recording the deliberations of Ministers in previous governments. Therefore I cannot comment on whether there was Cabinet support for Article 3.7 of the Kyoto Protocol and clearly I am not able to comment on whether there was Coalition party support for the clause.

(2) At the time of the Kyoto Conference in 1997, Australia possessed only rudimentary capability to produce national estimates of land use change emissions and their trends over time. Since then, Australia has invested in a new National Carbon Accounting System which is world-leading in its...
technical capabilities and which has the ability to construct historic trends in emissions. Our data and reporting is reviewed and verified by the United Nations and independent experts.

(3) The Commonwealth has not made payments to the states and territories for restrictions on native vegetation management. Under the Australian Constitution, state and territory governments are responsible for land management, including the introduction and implementation of legislation and regulations and any compensation arrangements associated with implementation.

(4) Article 3.7 refers to those parties for whom land-use change and forestry constitutes a net source of greenhouse gas emissions in 1990. It requires that they shall include in their 1990 emissions base year or period, the aggregate anthropogenic carbon dioxide equivalent emissions by sources minus removals by sinks in 1990 from land-use change.

According to the most up-to-date published data in the National Greenhouse Gas Inventory, land-use change emissions amounted to 130.8 million tonnes in 1990 and 49.7 million tonnes in 2008. Abatement of emissions from reduced deforestation, combined with emissions abatement measures in other sectors like energy, industry, waste and forestry, make a significant contribution to Australia being on track to meet its 108 per cent Kyoto target.

(5) I cannot confirm whether the United Nations Association of Australia made the particular statement attributed to them.

It is correct that electricity generation and transport are two of the major sources of greenhouse gas emissions in Australia.

The Government believes putting a price on carbon is the most effective way of tackling climate change and beginning to drive the transformation of our economy to a low pollution future. It has recently established a Multi-Party Climate Change Committee to investigate options for implementing a carbon price and to help build consensus on how Australia will tackle climate change.

In the case of both electricity generation and transport the Government recognises that other measures that complement a price on carbon are also necessary and it has put in place, or committed to, a number of such measures. For electricity generation these include the Renewable Energy Target, the Clean Energy Initiative (which supports the research, development and demonstration of low-emission energy technologies, including industrial scale carbon capture and storage and solar energy), and emissions standards for electricity generators. In the transport sector the Government has committed to introduce emission standards for light vehicles.

Broadband (Question No. 178)

Mr Fletcher asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 8 February 2011:

Under the NBN Co Limited’s planning, (a) how many homes will share a Gigabit capable Passive Optical Network fibre optic link, (b) what is the expected capacity of the link, and (c) what capacity per home does this translate to.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member’s question:

(a) NBN Co has developed engineering rules that result in a Gigabit Passive Optical Network (GPON) being shared by a maximum of 32 end users. NBN Co expects the practical average across the fibre footprint to be around 28 end users per GPON.

(b) The expected downstream capacity of these GPON links is 2.488 gigabits per second and the expected upstream capacity is 1.244 gigabits per second. The total GPON link capacity is shared
dynamically amongst end users, according to each end user’s instant requirements and their individual access service.
(c) NBN Co’s initial service offering presents individual GPON end users with an aggregate data capacity of up to 100 megabits per second. In addition, the end user hardware that NBN Co is installing supports an aggregate data capacity of 1 gigabit per second.

Based on these specifications and typical statistical dimensioning employed across the Australian and international telecommunications industry, NBN Co’s GPON platform can be expected to support typical household capacities of up to 1 gigabit per second.

1 International Telecommunications Union (ITU) G.948 standard.

Broadband
(Question No. 179)

Mr Fletcher asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 8 February 2011:
In respect of the National Broadband Network (NBN), (a) what amount of data is anticipated to be downloaded per household per month, and (b) what are the current market prices for dedicated transit capacity to the Internet; and applying those prices, (i) what will be the monthly transit cost per household for the assumed amount of data downloaded per household, and (ii) given the number of households assumed to be connected to the NBN, what will be the total transit costs incurred.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member’s question:

(a) The NBN Co Corporate Plan 2011-2013 anticipates average data usage per user will increase steadily from 10 gigabytes per month in 2011-12 to around 100 gigabytes per month by 2029-30 (p127). NBN Co referenced its data usage projections against a number of independent sources such as historic data from the Australian Bureau of Statistics and Cisco’s internet traffic forecasts.

(b) Internet data transit pricing can vary widely depending on the amount and nature of the data being transmitted, the source and destination of the data and the commercial arrangements of individual Retail Service Providers (RSPs).

(i) and (ii) Given the very complex and varying nature of data transit pricing it is not possible for the Department of Broadband, Communications and the Digital Economy to calculate a monthly data transit cost per household or the total transit costs incurred by RSPs in providing services over the NBN.

NBN Co’s approach to pricing wholesale services is to provide maximum flexibility for RSPs to design products that best meet the need of their customers.

Broadband
(Question No. 180)

Mr Fletcher asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 8 February 2011:
What will be the NBN Co Limited’s lowest capacity Connectivity Virtual Circuit (CVC); what contention ratio will this imply; how many end users will be supplied by that CVC; and what capacity per end user does that equate to.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member’s question:
The minimum CVC capacity that can be bought over the NBN fibre access network is 100Mbps TC-4 (traffic class 4).

The contention ratio, capacity and number of end users supplied by any given CVC will be up to each individual Retail Service Provider (RSP) to determine in accordance with the needs of their customers and the level of service they are providing.

NBN Co’s approach is to provide maximum flexibility for RSPs to design products that best meet the need of their customers.

Home Insulation Program
(Question No. 183)

Mr Fletcher asked the Minister for Climate Change and Energy Efficiency, in writing, on 9 February 2011:

In respect of the Home Insulation Program:

(1) What is the Government doing:
   (a) about allegations of; and
   (b) to elicit information from residents about; fraudulent rebate claims by installers.

(2) What is the process by which claims of alleged fraud are considered.

(3) How many claims of alleged fraud have been
   (a) received and
   (b) investigated.

(4) Of those cases investigated,
   (a) how many have been completed, and what were the outcomes; and
   (b) what number resulted in prosecutions, and what were the outcomes.

(5) How many prosecutions are in train.

(6) In how many cases have steps been taken to seek restitution from fraudulent claimants, and what was the outcome including how many cases for restitution were successful, and the individual and total sums of restitution recovered.

(7) Throughout the entire process (ie, investigation, prosecution, restitution, etc) what information is provided to owners of premises who have made claims of fraud.

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

I made a public statement regarding these matters on 3 March 2011.

The Australian Government has undertaken a comprehensive compliance and fraud investigation through a forensic audit of the program. Those investigations resulted in the actions taken by my Department and the Australian Federal Police (AFP) on 2 March 2011.

My Department has established a team to investigate these matters internally and they have received assistance from the AFP in pursuing those matters.

At this time it would be inappropriate to make any further comment on matters currently being investigated.

The information that I have previously announced will no doubt provide an assurance to the people of Australia that this Government is committed to pursuing those unscrupulous operators that chose to take advantage of the Home Insulation Program.
Australian Taxation Office: Change Program
(Question No. 184)

Mr Fletcher asked the Treasurer, in writing, on 9 February 2011-04-27

In respect of the work that has been undertaken by Accenture with the Australian Taxation Office (ATO) since 2003 (a) on the ATO's Change Program, and (b) other than on the ATO's Change Program: what contractual arrangements exist between Accenture and the ATO including the (i) scope of work, (ii) fee, (iii) nature and scope of variation or renegotiation of contracts, (iv) change in fee arrangements under variation or renegotiation, and (v) reconciliation of fees, and the amounts actually paid to Accenture.

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

Since 2003, work for the Australian Taxation Office (ATO) has been undertaken by Accenture for its Change Program and for other activities.

(a) (i) The Change Program was a very significant information technology and business improvement program designed to support the community, government and to meet internal ATO needs. The program has delivered improved service through the introduction of client portals and the replacement of a number of ageing systems with a single system for processing tax and superannuation returns. Through the use of enterprise-wide client relationship management, case management and work management systems and processes, it also improved the way the ATO manages its work. It has delivered significant savings to the operation of the ATO.

Accenture was contracted by the ATO to deliver the Change Program. Accenture took the lead role to design, build, test and deploy the Change Program releases. The ATO worked alongside Accenture throughout the Change Program and is now managing the new enterprise systems so they are reliable, responsive and able to support and facilitate future change and innovation.

(ii) and (v) The Change Program Contract was managed via a Head Agreement that provided the terms, conditions and fees. Change Program activities included under the Head Agreement have been reconciled with payment to Accenture of $477 million (excluding GST) between 2004 and 2010 to deliver the Change Program releases.

(iii) and (iv) Major variations to the contract were incorporated to implement legislation changes for the following at a total cost of $198 million (excluding GST):

- Superannuation Simplification from February 2007,
- First Home Savers Account from January 2009, and
- Removal from scope of Business Activity Statement (BAS) and Super Guarantee.

(b) Since 2003, other Accenture contracts for various system related work were for a total cost of $167 million excluding GST. The contracts are as follows:

<table>
<thead>
<tr>
<th>(i) Scope of work</th>
<th>(ii) and (v) Fee and Reconciliation</th>
<th>(iii) and (iv) Variation, renegotiation with changes to arrangements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preliminary analysis and design activities for the development of the Change Program from 2 December 2003.</td>
<td>$20,020,920 (excluding GST)</td>
<td>No variation</td>
</tr>
</tbody>
</table>

### QUESTIONS IN WRITING

(i) **Scope of work**

(ii) **Fee and Reconciliation**

(iii) **Variation, renegotiation with changes to arrangements**

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Cost</th>
<th>Status</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure support work from 24 August 2005.</td>
<td>$109,858,086 (excluding GST)</td>
<td>Expires 31 May 2011.</td>
<td>No variation has been negotiated to date</td>
</tr>
<tr>
<td>Included provision and support of development and testing environments, warranty, and support of systems as they were deployed.</td>
<td>$2,101,738 (excluding GST) to be paid.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environment Management Support from 3 July 2006.</td>
<td>$2,227,272 (excluding GST)</td>
<td>Complete</td>
<td>No variation</td>
</tr>
<tr>
<td>Provision of specialist IT contractor support including mainframe administrators, Siebel administrators/technical architects to support the Change Program.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Superannuation Simplification project from 25 June 2008.</td>
<td>$976,720 (excluding GST)</td>
<td>Complete</td>
<td>No variation</td>
</tr>
<tr>
<td>Enabling services work for superannuation systems rebuild including solution design of Super ‘Core’ products, high priority Release 3 changes and project set-up and management.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Microsoft Project Server rectification from 6 April 2009.</td>
<td>$84,230 (excluding GST)</td>
<td>Complete</td>
<td>No variation</td>
</tr>
<tr>
<td>Provision of specialist support to rectify problems associated with MS Project server failure.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disaster Recovery Virtualisation Phase 1a from 8 May 2009.</td>
<td>$556,783 (excluding GST)</td>
<td>Complete</td>
<td>No variation</td>
</tr>
<tr>
<td>Technical architecture set-up for disaster recovery of Change Program applications and addition of 115 mid-range applications.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Midrange Disaster Recovery from 12 May 2009.</td>
<td>$165,000 (excluding GST)</td>
<td>Complete</td>
<td>No variation</td>
</tr>
<tr>
<td>Perform an initial assessment on the current disaster recovery (DR) solution and supporting infrastructure and propose a high level infrastructure design supporting a DR capability for applications meeting the requirements of IT Policy for Midrange Disaster Recovery.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard Business Reporting strategic web services from 15 December 2009.</td>
<td>$1,539,144 (excluding GST)</td>
<td>Complete</td>
<td>No variation</td>
</tr>
<tr>
<td>Provision of IT contractor support services.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Scope of work</td>
<td>(ii) and (v) Fee and Reconciliation</td>
<td>(iii) and (iv) Variation, renegotiation with changes to arrangements</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------</td>
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<td>---------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Tax Time 2010 - legislated tax changes for the tax systems from 15 January 2010.</td>
<td>$4,638,400 (excluding GST)</td>
<td>No variation</td>
<td></td>
</tr>
<tr>
<td>Implement legislated tax changes for the ATO's tax systems.</td>
<td>Complete</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building the Electronic Interactions Roadmap project from 1 December 2010.</td>
<td>$1,246,462 (excluding GST)</td>
<td>No variation has been negotiated</td>
<td></td>
</tr>
<tr>
<td>High level design and prototypes for the refresh of ATO electronic channels to deliver on Whole of Government agenda to improve services offered to the community.</td>
<td>Expires 31 March 2011.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global Switch Ultimo (GSU) project from 24 September 2010.</td>
<td>$892,700 (excluding GST)</td>
<td>No variation has been negotiated</td>
<td></td>
</tr>
<tr>
<td>Included upgrade of all existing ATO application databases from SQL Server 2000 to SQL Server 2008, and paid.</td>
<td>$103,427 (excluding GST) to be paid.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay as you go (PAYG) / fringe benefits tax instalments (FBTI) project from 9 July 2010.</td>
<td>$24,614,450 (excluding GST)</td>
<td>No variation has been negotiated</td>
<td></td>
</tr>
<tr>
<td>Design, build and test phases (including conversion) for PAYG / FBTI project including parallel run, technical deployment and transition following technical deployment.</td>
<td>Expires 31 March 2012.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Broadband**

(Question No. 190)

**Mr Fletcher** asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 10 February 2011:

In respect of a report prepared for the Minister’s Department *Financial and externality impacts of high-speed broadband for telehealth* (Access Economics Pty Ltd, July 2010), where the costs and benefits of ubiquitous high speed broadband on the health sector were assessed: will the Government consider extending the assessment to cover the impact of the National Broadband Network on all sectors; if not, why not.

**Mr Albanese:** The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member’s question:

No. The impacts of the National Broadband Network will differ in different industry sectors and the detailed data required to undertake a robust cost benefit analysis of the impacts on all sectors does not
exist. As part of the development of strategies to maximize the benefits of the National Broadband Network and its impact on Australia’s digital economy, the Government will continue to commission targeted research into areas where use of the National Broadband Network has the potential to deliver significant benefits.

**Broadband**

(Question No. 191)

Mr Fletcher asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 10 February 2011:

In respect of a report prepared for the Minister’s department Impacts of Teleworking under the NBN (Access Economics Pty Ltd, July 2010, page 11), where it states that one benefit of teleworking is reduced workplace operational costs, and that the benefits associated with fewer workers in the office would be quantified by a cost benefit analysis type framework: will the Government consider undertaking a cost benefit analysis of teleworking under the National Broadband Network on all aspects of society and economy: if not, why not.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member’s question:

No. The report in question simply outlines some of the elements of benefits of teleworking under the National Broadband Network - both quantitative and qualitative - and some of the other adjustment factors which might need to be taken into account. The impacts of teleworking under the National Broadband Network will differ in different industry and employment sectors and the detailed data required to undertake a robust cost benefit analysis across all aspects of society and the economy does not exist. As part of the development of strategies to maximize the benefits of the National Broadband Network and its impact on Australia’s digital economy, the Government will continue to commission targeted research into areas where use of the National Broadband network has the potential to deliver significant benefits.

**Broadband**

(Question No. 194)

Mr Fletcher asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 21 February 2011:

In respect of paragraph 2.1.2 of the NBN Co Limited’s Fibre Access Services: Product Overview (August 2010), which says that access seekers will have ‘…the option to add incremental CIR [Committed Information Rate] bandwidth to support “just-in-time and real-time” applications such as voice and video.’: does this mean that access seekers wishing to offer a voice only service will need to pay a premium, beyond the $24 per month entry level NBN product, to obtain a CIR product suitable to support voice services; if so, what is the minimum monthly total wholesale price that an access seeker will be required to pay for this product.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member’s question:

NBN Co Limited has advised that access seekers wishing to offer a voice-only service will not need to pay a premium to obtain a CIR product suitable to support voice services. As stated on pages 25-26 of NBN Co’s publication, Product and Pricing Overview for Access Seekers (December 2010), NBN Co’s entry level product, priced at $24 per month, includes an optional telephone capability in the listed price.

A CIR of 150 kilobits per second will be allocated to the voice service from the total bandwidth offered as part of NBN Co’s entry level product. Traffic using this service will be given the highest network
priority. Access seekers wishing to supply a voice-only service can do so using NBN Co’s entry level product and can choose to deliver the service through a data port on the network termination unit (for voice over internet protocol, or VoIP, enabled customer equipment) or through a voice port on the network termination unit (for legacy, or standard telephone service, customer equipment).

**Australian Defence Force: Cadets**

(Question No. 197)

Mr Slipper asked the Minister for Defence, in writing, on 21 February 2011:

(1) Are there any funding restrictions in place which would preclude the establishment of any new Australian Army, Air Force and Navy cadets groups in secondary schools and elsewhere in the community; if so, what are these restrictions.

(2) Will the Government consider providing funding to establish more cadets groups in secondary schools and elsewhere in the community; if not, why not.

Mr Stephen Smith: The answer to the honourable member’s question is as follows:

(1) Financial resources do not preclude the establishment of new Australian Defence Force Cadet units in schools or communities. Defence closely assesses applications for the establishment of new cadet units in order to ensure their enduring viability and to justify the significant Defence investment in time, money and resources. Funding is not the sole determinant of the ability to establish or maintain a successful cadet unit. Other key factors include the need for strong community support for the establishment and ongoing operation of the cadet unit, appropriate facilities and sufficient young people interested in becoming cadets and adult volunteers interested in devoting the time to supervise these cadets.

The Government has continued the commitment of the former Government in providing an additional 10 million dollars per year for ten years commencing in 2007 with the specific aim of increasing the number of cadet units and cadets.

As a result of this commitment, the number of Navy, Army and Air Force Cadets grew by around 1900 between December 2005 and June 2010.

(2) It is considered that the funding provided by Defence is sufficient to meet the expected growth in Australian Defence Force Cadet numbers and units in the near future. Examples of this growth include the establishment of an Australian Army Cadets school-based unit in Werribee, Victoria; and an Australian Air Force Cadets unit in Murray Bridge, South Australia; both of which will soon become fully operational.

Where the support is present to establish new units beyond those planned by the Services in their annual budget forecasts, Defence would consider this sympathetically in light of competing Defence budget priorities.

**Queen Elizabeth II Diamond Jubilee**

(Question No. 198)

Mr Slipper asked the Prime Minister, in writing, on 21 February 2011:

(1) Is the Government planning to commemorate the Diamond Jubilee of the accession to the Throne of Her Majesty Queen Elizabeth II in 2012; if so, how; if not, why not?

(2) Is the Government creating a commemorative Queen Elizabeth II Diamond Jubilee Medal to honour both Her Majesty and the significant contributions and achievements by Australians (as the Canadian Government is doing); if not, why not?

Ms Gillard: I am advised that the answer to the honourable member’s question is as follows:
(1) and (2) The Government is planning to commemorate the Diamond Jubilee of Her Majesty The Queen. Detailed consideration of a number of options is currently occurring and the outcome of those deliberations will be made public at the appropriate time.

Innovation and Communications Technology and Business Productivity:

Statements Made By Former Prime Minister

(Question No. 199)

Mr Fletcher asked the Prime Minister, in writing, on 21 February 2011:

(1) In respect of the press statement made by Mr Rudd on 7 April 2009, in which he said that ‘It has been estimated that innovation from information and communications technology is the biggest driver of business productivity. It drives 78 per cent of productivity gains in service business and 85 per cent in manufacturing.’, is she able to confirm that the source of these claims was: (a) Revesez, J., Anderssen, H. and Boldeman, L. (2004), ‘Productivity growth in Australian manufacturing’, NOIE Occasional Economic Paper, Australian Government National Office for the Information Economy, Canberra, ACT, page 59; and (b) Revesez, J., Anderssen, H. and Boldeman, L. (2005), ‘Productivity growth in service industries’, DCTIA Occasional Economic Paper, Australian Government Department of Communications, Information Technology and the Arts, Canberra, ACT, page 68.

(2) Is she able to say whether the percentages stated in Mr Rudd's speech were estimates of the upper range of the expected productivity gains or estimates of the actual expected productivity gains from innovations from information and communication technology?

(3) Can she confirm that the research covered all technological factors and not only information and communications technological factors?

(4) Can she explain how the research supports the Government's policy?

Ms Gillard: The answer to the honourable member's question is as follows:

I am unable to confirm the source of the statement by the former Prime Minister on 7 April 2009 and accordingly am unable to answer the remaining questions.

Apprenticeships

(Question No. 209)

Mr Van Manen asked the Minister representing the Minister for Tertiary Education and Skills, in writing, on 28 February 2011:

What incentives exist to encourage small business to offer apprenticeships and traineeships, and what assistance is available to help them understand the range of incentives and select, implement and run programs in a way that facilitates high completion rates.

Mr Garrett: The Minister for Tertiary Education and Skills has provided the following answer to the honourable member’s question:

The Australian Government provides in excess of $1.2 billion per annum in financial support to employers and Australian Apprentices through the Australian Apprenticeships Incentives Program, a demand-driven program based on applications from eligible employers and Australian Apprentices.

Under the Australian Apprenticeships Incentives Program, employers of eligible apprentices and trainees at the Certificate III or IV level may attract a Commencement incentive of $1500, a Recommencement incentive of $750 and a Completion incentive of $2500. Employers of eligible apprentices and trainees at the Certificate II level may attract a Commencement incentive of $1250.

In addition to these standard incentives for employers, the Australian Apprenticeships Incentives Program also offers a range of special and additional incentives. Many of these are targeted at those in traditional trades identified as experiencing a national skills shortage. These include a Rural and
Regional Skill Shortages commencement incentive of $1000, the Support for Adult Australian Apprentices (aged 25 and over) weekly wage supplements, the Declared Drought Area commencement and completion incentives totalling $3000, the Mature Age Worker (aged 45 and over) commencement and completion incentives totalling $1500, the Australian School-based Apprenticeships commencement and retention incentives totalling $1500, the Assistance for Australian Apprentices with Disability weekly wage supplements and tutorial/mentor/interpreter assistance.

Personal benefits payments available for eligible Australian Apprentices include the Living Away From Home Allowance payments, the Tools for Your Trade payments totalling $5500, and the Support for Adult Australian Apprentices wage supplements if not going to the employer.

In addition the Queensland Natural Disasters Jobs and Skills Package released on 6 March 2011 will help employers and Australian Apprentices in disaster affected areas in Queensland. Initiatives include the Disaster Recovery Start-up Bonus payment of $3350 made to small and medium-sized employers (with less than 200 employees) and registered group training organisations in rural and regional flood and cyclone affected areas in Queensland who take on a new apprentice aged 19 years and under in a skill shortage trade apprenticeship, the Relocation Payment of $3000 to eligible, registered, out-of-trade Australian Apprentices who relocate to a flood or cyclone affected area to recommence their Australian Apprenticeship, and the Tools and Work Equipment Payment of $800 for eligible Australian Apprentices whose tools or work equipment have been lost or damaged due to a flood or cyclone related event in a declared natural disaster area in Queensland.

The Government also provides funding support to Queensland group training organisations to employ teams of out-of-trade apprentices in trade projects that benefit both their industry and the wider community.

Assistance for employers and Australian Apprentices in understanding the full range of incentives and payments available is provided by Australian Apprenticeships Centres who are contracted by the Australian Government specifically for this purpose. Australian Apprenticeships Centres have been providing support services to stakeholders since 1998.

Australian Apprenticeships Centres also help employers and Australian Apprentices select appropriate qualifications and registered training organisations, and provide ongoing mentoring and support throughout the duration of the Australian Apprenticeship with a view to successful completion.

Further details on the Australian Apprenticeships Incentives Program and advice on how to contact an Australian Apprenticeship Centre is publicly available at http://www.australianapprenticeships.gov.au/.

**Education Investment Fund**

*(Question No. 219)*

Mr Baldwin asked the Minister representing the Minister for Tertiary Education and Skills, in writing, on 1 March 2011.

In respect of the Regional Priorities Round of funding from the Education Investment Fund—

(1) What total sum of funding is currently available?

(2) What total sum of funding has been allocated to (a) 2010-11, (b) 2011-12, (c) 2012-13, (d) 2013-14 and (e) financial years beyond 2013-14?

(3) In respect of the Australian Standard Geographical Classification – Remoteness Areas (RA), will there be a limit by (a) number, (b) dollar value, or (c) share of available funding, to the projects funded in this round in: (i) non-capital city RA1, (ii) capital city RA1, (iii) RA2, (iv) RA3, (v) RA4, and (vi) RA5?

Mr Garrett: The Minister for Tertiary Education, Skills, Jobs and Workplace Relations has provided the following answer to the honourable member’s question:
(1) The Australian Government has committed up to $500 million for a Regional Priorities Round of the Education Investment Fund.

(2) and (3) The Australian Government is currently considering options for implementing the Round, including timing.

**Critical Skills Investment Fund**

(Question No. 220)

*Mr Baldwin* asked the Minister representing the Minister for Tertiary Education, Skills, Jobs and Workplace Relations, in writing, on 1 March 2011:

In respect of the Critical Skills Investment Fund,

(1) What total sum of funding is currently available?

(2) What total sum of funding has been allocated to (a) 2010-11, (b) 2011-12, (c) 2012-13, (d) 2013-14, and (e) financial years beyond 2013-14?

(3) In respect of the Australian Standard Geographical Classification—Remoteness Areas (RA), will there be a limit by (a) number, (b) dollar value, or (c) share of available funding, to the projects funded in this fund in: (i) non-capital city RA1, (ii) capital city RA1, (iii) RA2, (iv) RA3, (v) RA4, and (vi) RA5?

*Mr Garrett*: The Minister for Tertiary Education, Skills, Jobs and Workplace Relations has provided the following response:

(1) $200,157,000 over four years.

(2) (a) 2010-11: $50,031,000 (b) 2011-12: $50,036,000 (c) 2012-13: $50,042,000 (d) 2013-14: $50,048,000 (e) no funding is allocated beyond 2013-14.

(3) At least $66 million will be allocated to support rural and regional businesses and workers. This allocation is not further limited and will be informed by the funding proposals received under an open and competitive application process. The Critical Skills Investment Fund will use the definition of ‘Regional Australia’ promulgated by the Department of Regional Australia, Regional Development and Local Government, when it is agreed.

**Priority Regional Infrastructure Program**

(Question No. 223)

*Mr Baldwin* asked the Minister for Regional Australia, Regional Development and Local Government, in writing, on 1 March 2011:

In respect of the Priority Regional Infrastructure Program—

(1) What total sum of funding is currently available.

(2) What total sum of funding has been allocated to (a) 2010-11, (b) 2011-12, (c) 2012-13, (d) 2013-14, and (e) financial years beyond 2013-14.

(3) In respect of the Australian Standard Geographical Classification—Remoteness Areas (RA), will there be a limit by (a) number, (b) dollar value, or (c) share of available funding, to the projects funded under this program in: (i) non-capital city RA1, (ii) capital city RA1, (iii) RA2, (iv) RA3, (v) RA4, and (vi) RA5.

*Mr Crean*: The answer to the honourable member’s question is as follows:

(1) The Priority Regional Infrastructure Program (PRIP) and the Regional Infrastructure Fund (RIF) have been incorporated into the Regional Development Australia Fund (RDAF). Around $1 billion in funding will be allocated, comprising $450 million from the PRIP and up to $573 million from the RIF,
subject to the passage of the Mineral Resource Rent Tax. $350 million from the PRIP has been reprioritised to support reconstruction in disaster areas.

(2) Up to $100 million in Commonwealth funds will be allocated under Round One, which closes on 13 May 2011, with further rounds to be announced.

(3) The RDAF is a competitive grants program and projects will be considered in the context of the eligibility and selection criteria as specified in the guidelines.

**Taxation**

(Question No. 231)

Mr Oakeshott asked the Treasurer, in writing, on 3 March 2011:

By what date will the Government provide its full response to the ‘Henry Tax Review’ (Australia’s Future Tax System Review Panel, Australia’s Future Tax System Review, 2 May 2010).

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

The Australia’s Future Tax System (AFTS) Report provides a long-term blue print for the tax and transfer system. As the report states, it was not designed to be implemented as a ‘...one-off tax policy package.’

The Government’s Stronger, Fairer, Simpler tax plan has acted on a number of the AFTS recommendations and is a substantial first step towards improving our existing tax system. The following measures tackle the need for reform in the areas of personal tax, superannuation, business tax and resource taxes.

**Personal Tax**

- An optional $500 standard deduction to replace deductions for work-related expenses and cost of managing tax affairs. This deduction will be available from 2012-13 and will increase to $1,000 from 2013-14.
- A fifty per cent tax discount will be available to Australian resident individuals for up to $500 of interest income earned in 2012-13, including interest on deposits, bonds and debentures and annuity products. The cap will be increased to $1,000 from 1 July 2013.

**Superannuation**

- A higher concessional contributions cap of $50,000 per year will apply from 30 June 2012 for those aged 50 or over who have total superannuation balances of less than $500,000.
- Up to $500 per annum will be paid into low income earner super accounts from 2012-13.
- There will be a staged increase of superannuation guarantee contributions to 12 per cent beginning in 2013-14 and increase in the superannuation guarantee age limit from 70 to 75 from 1 July 2013.

**Business Tax**

- The company tax rate will be reduced from 30 per cent to 29 per cent from the 2013-14 income year. For small companies, the cut to the company tax rate will apply from 2012-13.
- Existing small business capital allowance concessions will be expanded by allowing small businesses to immediately write-off assets costing up to $5,000 and to write-off most other assets in a single depreciation pool at a rate of 30 per cent.
- Interest withholding tax incurred by financial institutions on most interest paid on offshore borrowings will be phased down from 2013-14.

**Resource Taxes**

- The Minerals Resource Rent Tax (MRRT) and Petroleum Resource Rent Tax (PRRT) will improve the taxation arrangements of Australia’s biggest and most profitable commodities.
• The MRRT regime will apply to the mining of iron ore and coal in Australia.
• The current PRRT regime will be extended to all Australian onshore and offshore oil and gas projects, including the North West Shelf.

The Stronger, Fairer, Simpler package demonstrates the considerable progress the Government has made on tax reform.

The Government has also announced other tax measures consistent with AFTS recommendations including:
• An increase to Family Tax Benefit (FTB) A for older children. FTB is to become the primary payment for dependent full-time secondary students aged 16-19.
• Improvements to the taxation and regulation of the Non-Profit Sector through the establishment of a new Office for the Non-Profit Sector within the Department of Prime Minister and Cabinet, supported by a new Non-Profit Sector Reform Council.
• An increase in the excise and excise-equivalent customs duty rate applying to tobacco products of 25 per cent from midnight 29 April 2010.

When the Government released its initial response to the AFTS Review, we said very clearly that there would be a wide-ranging discussion about many of the issues it raised.

The upcoming tax forum and subsequent parliamentary debate will be an opportunity to continue this public discussion and contribute to the consensus building process that is essential to ensuring support for long-term tax reform.

Muammar Al-Qaddafi: Financial Sanctions
(Question No. 232)

Mr Oakeshott asked the Treasurer, in writing, on 3 March 2011-04-27:

Following reports that the family of Colonel Muammar Al-Qaddafi has been a regular visitor to Australia and invested widely within Australia, can the Treasurer outline what steps are being taken to determine the extent of these investments and their legitimacy.

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

The Australian Government has acted swiftly to implement financial sanctions against individuals and entities of the Libyan Regime as part of United Nations sanctions and Australian autonomous sanctions. The Minister for Foreign Affairs is responsible for leading the Government’s implementation of these sanctions.

Following the announcement of sanctions, I wrote to the Governor of the Reserve Bank of Australia directing him to take action under the Banking (Foreign Exchange) Regulations 1959 to impose autonomous financial sanctions against certain Libyan individuals whom the Minister for Foreign Affairs is satisfied have connections to the Libyan regime. Subsequently, the Reserve Bank created the necessary legislative instruments to impose these financial sanctions. The Reserve Bank publishes information on sanctions at: http://www.rba.gov.au/mkt-operations/fin-sanctions/index.html#libya

At the request of the Minister for Foreign Affairs, I asked Treasury to conduct an exhaustive review of the foreign investment proposal data for possible acquisitions of Australian assets by those subject to the sanctions, and to continue to monitor the situation. The results of this search have been provided to the Minister for Foreign Affairs.

Prime Minister: Expenditure on Residences
(Question No. 235)

Mr Briggs asked the Prime Minister, in writing, on 3 March 2011:
What is the breakdown of costs of all capital works, acquisitions, and contractual services at (a) The Lodge, (b) Kirribilli House, (c) her apartment in Canberra, and (d) her home in Altona, since 23 June 2010.

**Ms Gillard:** I am advised that the answer to the honourable member's question is as follows:

(a) The Lodge

<table>
<thead>
<tr>
<th>Cost (excl GST)</th>
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<tbody>
<tr>
<td>Capital Works</td>
</tr>
<tr>
<td>Nil</td>
</tr>
<tr>
<td>Acquisitions</td>
</tr>
<tr>
<td>Minor household and electrical items $ 894.50</td>
</tr>
<tr>
<td>Contractual services</td>
</tr>
<tr>
<td>Garden maintenance $ 78,180.11</td>
</tr>
<tr>
<td>Conservation advice, property works program</td>
</tr>
<tr>
<td>and management $ 62,322.83</td>
</tr>
</tbody>
</table>

(b) Kirribilli House

<table>
<thead>
<tr>
<th>Cost (excl GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Works</td>
</tr>
<tr>
<td>Nil</td>
</tr>
<tr>
<td>Acquisitions</td>
</tr>
<tr>
<td>Fridge $2,850.00</td>
</tr>
<tr>
<td>Office shredder $2,295.00</td>
</tr>
<tr>
<td>Minor household and electrical items $1,394.55</td>
</tr>
<tr>
<td>Contractual services</td>
</tr>
<tr>
<td>Garden maintenance $65,341.68</td>
</tr>
<tr>
<td>Conservation advice, property works program</td>
</tr>
<tr>
<td>and management $77,118.95</td>
</tr>
</tbody>
</table>

(c) Private Canberra residence – Nil.
(d) Private Altona residence – Nil.

**Ministers: Staff, Capital Works and Acquisitions**  
**(Question No. 237)**

*Mr Briggs* asked the Treasurer, in writing, on 3 March 2011:

(1) How many personal staff are employed by the Minister.

(2) What is the (a) total cost, and (b) breakdown of costs, of all capital works and acquisitions in the Minister's private office since 3 December 2007.

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

(1) The employment of staff under the Members of Parliament (Staff) Act 1984 is administered by the Department of Finance and Deregulation. On 22 February 2011, the Department tabled with the Senate Finance and Public Administration Committee a list of Government Personal Staff Positions as at 1 February 2011.

(2) The Treasurer has held his position since 3 December 2007. Costs are provided for the period 3 December 2007 to 3 March 2011.
Regional Development Australia Fund  
(Question No. 296)

Mr Baldwin asked the Minister for Regional Australia, Regional Development and Local Government, in writing, on 21 March 2011:

In respect of the Regional Development Australia Fund—

1. On what date did (a) his department first release the guidelines for the Fund, and (b) he issue a press release advising he was releasing the guidelines for the Fund.
2. Was the press release in part (1) made before the guidelines were released; if so, why.
3. How many editions of the guidelines exist, and which editions have been made public.
4. On what date did he, or his personal staff, last approve (a) the guidelines, and (b) his introductory message in the guidelines.

Mr Crean: The answer to the honourable member’s question is as follows:

1. (a) The Regional Development Australia Fund (RDAF) Guidelines were available on the Department’s website from 11 March 2011. The Department briefed the RDAs and a range of other stakeholders on the guidelines prior to their formal release.

2. A media release was issued on 11 March 2011.

3. The press release of 11 March 2011 announced the release of the RDAF Guidelines. [A draft press release, not cleared by me, was inadvertently placed on the website on 3 March 2011 and removed shortly thereafter]

4. One edition of the Guidelines exists, which is available on the Department’s website.

Regional Development Australia Fund  
(Question No. 297)

Mr Baldwin asked the Minister for Regional Australia, Regional Development and Local Government, in writing, on 21 March 2011:

On what date was the first application for the Regional Development Australia Fund received by his department.

Mr Crean: The answer to the honourable member’s question is as follows:

Applications for round one of the Regional Development Australia Fund close at close of business on 13 May 2011. As at 8 April 2011, no applications have been received.
Regional Development Australia Fund  
(Question No. 298)

Mr Baldwin asked the Minister for Regional Australia, Regional Development and Local Government, in writing, on 21 March 2011:

In respect of the Regional Development Australia Fund;

(a) what total sum of funding is currently available,
(b) what total sum of funding has been allocated to (i) 2010-11, (ii) 2011-12, (iii) 2012-13, (iv) 2013-14, (v) 2014-15, and (vi) the financial years beyond 2014-15.
(c) for each year in part (b), what amount of funding is subject to the Mineral Resource Rent Tax.

Mr Crean: The answer to the honourable member’s question is as follows:

(a) Over $1 billion is in the Regional Development Australia Fund of which $573 million is subject to the passage of the Mineral Resource Rent Tax.

(b) and (c) Funding allocations for the Regional Development Australia Fund will be included in the 2011-12 Budget.

Regional Development Australia Fund  
(Question No. 299)

Mr Baldwin asked the Minister for Regional Australia, Regional Development and Local Government, in writing, on 21 March 2011:

In respect of the Regional Development Australia Fund and the Australian Standard Geographical Classification—Remoteness Areas (RA), will there be a limit by (a) number, (b) dollar value, or (c) share of available funding, to the projects funded in (i) non-capital city RA1, (ii) capital city RA1, (iii) RA2, (iv) RA3, (v) RA4, and (vi) RA5.

Mr Crean: The answer to the honourable member’s question is as follows:

Projects to be funded will be selected in accordance with the assessment process, eligibility criteria and selection criteria set out in the Regional Development Australia Fund Guidelines.

Regional Development Australia Fund  
(Question No. 300)

Mr Baldwin asked the Minister for Regional Australia, Regional Development and Local Government, in writing, on 21 March 2011:

On what date did he, his personal staff, or his department send a copy of the guidelines for the Regional Development Australia Fund to each Regional Development Australia committee.

Mr Crean: The answer to the honourable member’s question is as follows:

The Regional Development Australia Fund (RDAF) Guidelines were emailed by my Department to the Chairs and Executive Officers of each Regional Development Australia (RDA) committee on Friday 11 March 2011.