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SITTING DAYS—2014

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—THIRD PERIOD

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

House of Representatives Office holders
Speaker—Hon. Bronwyn Kathleen Bishop MP
Deputy Speaker—Hon. Bruce Craig Scott MP
Second Deputy Speaker—Mr Robert George Mitchell
Members of the Speaker's Panel—Mrs Karen Lesley Andrews MP,
Mr Russell Evan Broadbent MP, Mr Alexander George Hawke MP,
Mr Ian Reginald Goodenough MP, Mrs Natasha Louise Griggs MP,
Mr Ewen Thomas Jones MP, Mr Craig Kelly MP, Hon. Charles Christian Porter MP,
Mr Donald James Randall MP, Mr Ross Xavier Vasta MP, Mr Brett David Whiteley MP

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

Party Leaders and Whips
Liberal Party of Australia
Leader—Hon. Anthony John Abbott MP
Deputy Leader—Hon. Julie Isabel Bishop MP
Chief Government Whip—Hon. Philip Maxwell Ruddock MP
Government Whips—Mr Scott Buchholz MP and Ms Nola Bethwyn Marino MP

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

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

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## Members of the House of Representatives

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<tr>
<td>Whiteley, Mr Brett David</td>
<td>Braddon, TAS</td>
<td>LP</td>
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<tr>
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<td>Wilson, Mr Richard James</td>
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<td>Wood, Mr Jason Peter</td>
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<td>Wyatt, Mr Kenneth George AM</td>
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<tr>
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**PARTY ABBREVIATIONS**

ALP—Australian Labor Party; LP—Liberal Party of Australia; NATS—The Nationals;
IND—Independent; NATSWA—The Nationals WA; CLP—Country Liberal Party;
AUS—Katters Australia Party; AG—Australian Greens; PUP—Palmer United Party

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- Clerk of the House of Representatives—D Elder
- Secretary, Department of Parliamentary Services—C Mills
- Parliamentary Budget Officer—P Bowen
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<tr>
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<td>Senator the Hon. Eric Abetz</td>
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<tr>
<td>Minister Assisting the Prime Minister for Women</td>
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<tr>
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<tr>
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<tr>
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<tr>
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<tr>
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Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
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The SPEAKER (Hon. Bronwyn Bishop) took the chair at 10:00, made an acknowledgement of country and read prayers.

PETITIONS

Dr JENSEN (Tangney) (10:01): On behalf of the Standing Committee on Petitions, and in accordance with standing order 207, I present the following petitions:

**Manning Valley: Bridge and Road Funding**

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

This petition of the people of the Manning Valley, NSW, draws to the attention of the House:

The urgent and immediate need for additional funding to regional councils to replace ageing and unsafe bridges and roads, which are an unreasonable burden on residents of rural Australia. A 2013 national survey of 344 Local Government Areas (LGAs) by ALGA highlighted that over 12% of rural sealed roads and 18% of unsealed roads managed by rural councils are in poor or very poor condition.

Greater Taree City Council (GTCC) has a $300 million roads and bridges infrastructure backlog. With a rates income of $25 million per annum, and a proposed capital expenditure on infrastructure for the year 2014-15 of only $8 million, this situation is unsustainable.

Recently, the Minister for Infrastructure and Regional Development withdrew from GTCC a budgeted allocation of $11.4 million for four critically important infrastructure projects, despite the fact that the Australian Government had already advanced $1.1 million to GTCC to design these projects. Many of GTCC’s 240 bridges are approaching the end of their lifespan. Rural LGAs were not designed to replace all ageing roads and bridges infrastructure, nor do they have the financial capacity to do so.

We therefore ask the House to:

- Immediately restore the $11.4 million roads and bridges funding package to GTCC.
- Allocate additional funding to GTCC for its Roads and Bridges Replacement Program.
- Urgently establish and fund structures for providing direct funding to rural LGAs for roads and bridges.

from 20,817 citizens

**Hematopoetic Stem Cell Transplant**

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

This petition of the caring people in Australia.

Draws to the attention of the House: The Hematopoetic Stem Cell Transplant (HSCT) is being offered in other major countries to their sufferers of Multiple Sclerosis with great success. We would like the same opportunity to regain control of our bodies and our lives so we can contribute to society. This procedure uses the patient’s own cells that are converted to stem cells.

"The petitioners therefore request that your Honourable House will urge the Government to make HSCT (Hematopoetic Stem Cell Transplant) available to Australian MS sufferers under the Medicare system."

from 1,297 citizens

**Asylum Seekers**

To the Honourable The Speaker and Members of the House of Representatives
This petition of 2000 citizens of Australia
draws to the attention of the House:

What is perceived by them as inhumane treatment of asylum seekers and refugees in offshore detention centres.

We therefore ask the House to:

Reconsider the Government's decision to use offshore detention centres. Please may each person’s claim for protection be considered under Australian Law in Australia by competent independent authorities, in a timely manner and with justice and compassion?

from 1 citizen

Petitions received.

PETITIONS

Responses

Dr JENSEN (Tangney) (10:02): The following ministerial responses to petitions have been received:

Mobile Phone Services

Dear Dr Jensen

Thank you for your recent letter concerning a petition submitted to the Standing Committee on Petitions, regarding mobile phone coverage at Tatong, Molyullah, Lurg, and Samaria (841/1308).

The Australian Government recognises the importance of reliable mobile coverage to Australians. While mobile phone carriers claim to provide coverage to 99 per cent of Australia's population, there are still some areas that have no coverage, particularly in regional and remote locations.

Expanding mobile coverage has clear economic and social benefits, as well as public safety benefits for people living, working and travelling in regional and remote areas.

The Government is investing $100 million to improve mobile phone coverage in some outer metropolitan, regional and remote communities which do not currently have reliable coverage. The Government's $100 million investment is expected to generate at least matching funding from local and state governments, communities and industry.

The Mobile Black Spot Programme will improve coverage along major transport routes, in small communities and in locations prone to experiencing natural disasters, as well as addressing unique mobile coverage problems.

Further information on the Mobile Black Spot Programme is available on the Department of Communications' website (www.communications.gov.au/mobile_coverage).

I am pleased to advise that Tatong, Molyullah, Lurg, and Samaria are all areas that will be eligible for the programme. The information provided about mobile coverage in these areas has been added to the database we are building of areas reported to have poor coverage. This database will be shared with the mobile carriers and other interested players to assist them in preparing their proposals under this programme.

To ensure these communities are aware of the opportunities presented by the Mobile Black Spot Programme, I have tasked my Department to contact the petition organisers and provide any assistance that is necessary.

Thank you once again for bringing the communications concerns of smaller communities such as Tatong, Molyullah, Lurg and Samaria to my attention. I trust the information provided will assist.

from the Minister for Communications, Mr Turnbull
Mobile Phone Services

Dear Dr Jensen

Thank you for your recent letter concerning a petition submitted to the Standing Committee on Petitions, regarding mobile phone coverage at Wantabadgery (878/1346).

The Australian Government recognises the importance of reliable mobile coverage to Australians. While mobile phone carriers claim to provide coverage to 99 per cent of Australia's population, there are still some areas that have no coverage, particularly in regional and remote locations.

Expanding mobile coverage has clear economic and social benefits, as well as public safety benefits for people living, working and travelling in regional and remote areas.

The Government is investing $100 million to improve mobile phone coverage in some outer metropolitan, regional and remote communities which do not currently have reliable coverage. The Government's $100 million investment is expected to generate at least matching funding from local and state governments, communities and industry.

The Mobile Black Spot Programme will improve coverage along major transport routes, in small communities and in locations prone to experiencing natural disasters, as well as addressing unique mobile coverage problems.

Further information on the Mobile Black Spot Programme is available on the Department of Communications' website (www.communications.gov.au/mobile_coverage).

I am pleased to advise that Wantabadgery is an area that will be eligible for the programme. The information provided about mobile coverage at Wantabadgery has been added to the database we are building of areas reported to have poor coverage. This database will be shared with the mobile carriers and other interested players to assist them in preparing their proposals under this programme.

To ensure that the Wantabadgery community is aware of the opportunities presented by the Mobile Black Spot Programme I have tasked my Department to contact the petition organisers and provide any assistance that is necessary.

Thank you for bringing the petition to my attention and I trust this information will be of assistance.

from the Minister for Communications, Mr Turnbull

Coal Seam Gas

Dear Dr Jensen

I refer to your letter of 27 March 2014 with reference to a petition submitted to the Standing Committee on Petitions regarding coal seam gas (CSG) and other unconventional gas development.

Natural gas, including CSG, has an important role to play in Australia's energy future. The use of CSG as an energy source is long-standing and already accounts for around 35 per cent of domestic gas production in the eastern states. Its role both as a domestic energy source and for export is set to increase in the foreseeable future.

State and territory governments have primary responsibility for onshore development and are the main regulators of CSG and other unconventional gas activities. State and territory responsibilities include setting conditions to ensure resources development is undertaken in a responsible and sustainable manner.

The Australian Government continues to work with states and territories to identify opportunities to improve regulatory approaches for CSG and other unconventional gas. Underlying this work is the Australian Government's resources and energy policy, which commits to three co-existence conditions that must be met before CSG development proceeds: access to agricultural land should only be allowed with the farmer's agreement; there is no long-term damage to the underground water resources; and agricultural production is not permanently impaired. Given these conditions serve as a strong
foundation for responsible CSG development, the government does not support introduction of a moratorium.

Thank you for bringing the concerns referenced in the petition to my attention.

from the Minister for Industry, Mr Macfarlane

PETITIONS

Statements

Dr JENSEN (Tangney) (10:02): In my last statement as Chair of the Standing Committee on Petitions, I spoke about the role and responsibilities of members in regard to petitions. This week I will comment on petitions received so far in the 44th Parliament. As you know, Madam Speaker, the House receives a large number of petitions on a wide range of topics. The number has not decreased in the 44th Parliament. So far, 106 petitions have been considered by the committee. Seventy of these met requirements and were presented to the House—46 by me and 24 by members.

The number of petitions might not appear to be especially high, but a closer look shows a strong commitment to petitions. The 70 petitions contained more than 1.3 million signatures. Some attracted a very large number of signatures. One petition, focused on community pharmacies, contained more than 1.1 million signatures. Several have gathered more than 20,000 signatures. One petition with nearly 30,000 signatures drew the safety of cyclists to the House's attention. A petition I presented today on bridges and roads attracted more than 20,000 signatures. The issues addressed in petitions vary according to what the subjects of national debate are and what issues might have a high impact on a small number of people.

Most petitions attract a much smaller number of signatures. Several have contained just one signature. These petitions are not treated any differently, or any less seriously, than those that attract a large number of signatures. In many cases, petitions with very few signatures simply reflect the local nature of the request being made of the House. In any case, whether a petition has one or one million signatures, if it meets the requirements it is presented and referred to the responsible minister, and a written response is usually received.

As a committee, we deal with a diverse range of subjects when examining petitions. While other parliamentary committees, by their very nature, tend to deal with one or perhaps two subjects at a time and to examine them closely, the petitions committee glimpses a wide range of matters at each of its meetings. Sometimes the matters are familiar to us because we have encountered them in our electorates, and sometimes they are new to us and alert us to emerging issues.

The subjects of petitions can trace the changing focus and attitudes of Australians over time. The three petitions I presented today are a good reflection of this and provide a snapshot of the current concerns of parts of the Australian population. They range from local matters like roads and bridges in a local council area, to individual sufferers of multiple sclerosis, to the processing of asylum seekers. In recent weeks, petitions have focused on local, national, and even global issues. Subjects have included access to pharmacies, mobile phone and television reception, pensions, GP co-payments, aged-care facilities, extradition requests, Syria's Christian minority and climate change.

When it comes to the subject matter of petitions, the committee's role is entirely neutral. Committee members put aside any personal views about the content and focus on the
requirements of the standing orders. This neutral perspective extends to my role in presenting petitions as well. As I mentioned last week, the act of presenting a petition to the House does not indicate that the committee members or I necessarily agree with its contents. Likewise, when members present petitions, they may or may not agree with their terms. In this way, petitions represent a vehicle for every citizen of Australia to have their concerns placed directly before the House.

To conclude, I would like to note that, so far in the 44th Parliament, 64 ministerial responses have been presented to the House, responding to 76 petitions. This is a big change from the pre-2008 days, as, between 1901 and 2007, only 21 ministerial responses to petitions were received. This exponential increase in the rate of ministerial response represents one of the real strengths of the current approach to petitions.

COMMITTEES
Treaties Committee
Report

Report made a parliamentary paper in accordance with standing order 39(e).

WYATT ROY: Today I present the Joint Standing Committee on Treaties Report 140, an interim report on the committee's inquiry into the agreement between the government of Australia and the government of the United States of America to improve international tax compliance and implement the Foreign Account Tax Compliance Act, or FATCA.

The agreement is an unusual treaty action in that it has been negotiated to assist Australian businesses in complying with a United States tax law.

FATCA comes into effect on 1 July 2014.

To ensure the agreement and its related legislation is in place by that date, the Treasurer, the Hon. Joe Hockey MP, wrote to the committee to request that the committee expedite its consideration of this agreement.

If the 1 July deadline is not met, Australian financial institutions with interests in the United States will be faced with either significant compliance costs associated with FATCA or a withholding tax of 30 per cent on income derived in the United States.

The committee, despite reservations about the agreement, appreciates that it must make the best of a less than satisfactory situation.

Accordingly, the committee resolved to support the Agreement between the Government of Australia and the Government of the United States of America to Improve International Tax Compliance and Implement FATCA and recommend that binding treaty action be taken.

The committee will table a final report on its inquiry into this agreement in due course.

On behalf of the committee, I commend the report to the House.
BILLS

Defence Amendment (Parliamentary Approval of Overseas Service) Bill 2014

First Reading
Bill and explanatory memorandum presented by Mr Bandt.
Bill read a first time.

Second Reading

Mr BANDT (Melbourne) (10:11): I move:
That this bill be now read a second time.

There are few credible commentators left anywhere who do not regard the decision by the so-called coalition of the willing to invade Iraq as one of the most significant mistakes in modern Western foreign policy. At the time, Iraq was not threatening war. We now know too that there never were the 'weapons of mass destruction' that we were told there were. Australia committing troops to this war was wrong, not just for the credibility of those who made that flawed decision but, primarily, for those on the front line and of all parties involved in the conflict. The decision by Australia to send our troops to war in Iraq, based on an untruth, has meant that we have become complicit in the hundreds and thousands of deaths of Iraqis that resulted and in the deaths of those who continue to lose their lives. We have also become regarded by a generation of young Iraqis an occupying force. For the record, it is important to state what the casualties as a result of the war are. None of the estimates are fewer than 100,000. Some are higher than a million. And, as is now clear, this conflict has entered a terrible new phase which means that the numbers of people who continue to die in the ongoing sectarian conflicts across Iraq continue to rise. This is an unparalleled tragedy. The latest news reports suggest that ISIS has advanced closer still to the Iraqi capital, Baghdad.

I would like to make this point about the Defence Amendment (Parliamentary Approval of Overseas Service) Bill 2014, which I am introducing today. If this bill had become law in 2003 and parliament had the authority over troop deployments, perhaps the folly of this engagement, the true nature of the flawed decision, would have been revealed if the decision to deploy troops had been fully and publicly debated by parliament. If parliament had had the chance to debate the Iraq war and the sending of our troops into conflict, it is arguable that we would not have been complicit in this disaster. And make no mistake: the possibility that Australia commits troops again in some form or another to Iraq is now real.

Back in 2003, we were told that our involvement in Iraq would stabilise the country and bring peace and was the best way to tackle terrorism. Yet look at Iraq today. More war does not cure more war. Iraq today shows that. And yet more war is what some commentators are advocating. But the Australian parliament, seemingly the country's pre-eminent decision-making body, remains powerless over debating and deciding on sending troops to war. The need for the parliament to have the authority to deploy troops is therefore very real. Following Iraq, of course, Australia has also fought a long and costly war in Afghanistan. By 'costly', I am primarily referring to the cost of the Afghan war on Australian troops. Forty troops have lost their lives in Afghanistan, and two Australian defence personnel lost their lives in Iraq.

It is because of the seriousness of committing troops to conflict that the Australian parliament must debate such a momentous decision. There are few more momentous
decisions that a country can take than to go to war or to send its troops into conflict. More
often than not, this involves young men and women putting their lives on the line. For this
reason, above all else, it is to me and to the Greens inconceivable that such a momentous
decision is left to the executive alone. As we saw with the parliamentary debate on Australia’s
involvement in Afghanistan in 2010, each elected representative that has spoken made
worthwhile contributions on behalf of their constituents—constituents who, through their
representatives in a democracy such as ours, should have a say in any question to deploy
troops.

That the Defence Act does not currently allow for that level of decision making, scrutiny
and debate on such important questions is, I believe, a failure of democracy. The Defence
Amendment (Parliamentary Approval of Overseas Service) Bill 2014 inserts a new section
50C into the Defence Act to require that decisions to deploy members of the Defence Force
beyond the territorial limits be made not by the executive alone but rather by parliament as a
whole.

This bill was initiated by the former Australian Democrats and supported by the Australian
Greens, who took carriage of the bill after 2007. It is the latest iteration of bills introduced
into the Senate since 1985 that aim to increase the transparency and accountability of
governments by involving parliamentary discussion and scrutiny of the decision to deploy
Australian military forces to overseas conflicts. It was reintroduced by my colleague Senator
Ludlam in late 2008 and referred to the Senate Standing Committee on Foreign Affairs,
Defence and Trade in August 2009. The committee, while neglecting to hold a hearing,
nonetheless made a useful critique of the bill without undermining its essential purpose, in its
report of February 2010. Senator Ludlam’s dissenting report into the bill provided the
transcript of an informal ‘hearing’ undertaken subsequent to the majority committee decision
not to take evidence directly. I am proud to be the latest in a line of parliamentarians to
sponsor a bill with this purpose.

This bill seeks to address the absence of checks and balances on the power of the executive
which are characteristic of, and broadly considered essential to, any functioning democracy.
Under the Defence Act 1903, the Prime Minister can commit Australian troops to conflict
zones without the support of the United Nations, the Australian parliament or the Australian
people. The Prime Minister can exercise this power as part of the government’s prerogative
powers or through a cabinet decision. The absence of appropriate checks and balances on this
decision-making power saw the Australian Prime Minister rapidly deploy troops to an illegal
war in Iraq in 2003 without consulting the people’s representatives in parliament. A lesson can
and must be learned from this kind of mistake, which is more easily made when a handful of
people take closed and secret decisions on behalf of a nation without due consultation or
participation.

This bill would bring Australia into conformity with principles and practices utilised in
other democracies like Denmark, Finland, Germany, Ireland, Slovakia, South Korea, Spain,
Sweden, Switzerland and Turkey, where troop deployment is set down in constitutional or
legislative provisions. Some form of parliamentary approval or consultation is also routinely
undertaken in Austria, the Czech Republic, Italy, Japan, Luxembourg, the Netherlands and
Norway. Even our ally the United States has a similar provision that subjects the decision to
Arguments against utilising our democratic structures on the important issue of troop deployment made by governments include that it would be impractical, restrictive and inefficient. Such arguments, though, ignore the fact that parliaments can and do make complex and nuanced decisions, and rapidly when necessary. But, as we have seen, decisions about war and peace made in undue haste that do not enjoy the mandate of the population are not legitimate or acceptable, especially when they involve sending Australia's sons, daughters, fathers and mothers into battle.

There are appropriate exemptions made in this bill that do not interfere with the non-warlike overseas service with which Australian troops are engaged—and I refer the House to section 50C(11). There are also appropriate exemptions in the bill to provide for the practicalities of situations where parliament cannot immediately meet—and I refer the House to section 50C subsections 3 and 7, which provide for the Governor-General to be able to make a proclamation regarding the declaration of war, provided that parliament is then recalled within a period of two days.

The decision to deploy troops overseas into a war zone is always difficult, always dangerous and always important. Such a decision should always demand debate and scrutiny and should be one that Australian citizens can own and be engaged in. When we look at other states, and so-called security sector reform during post conflict restructuring phases, we require security forces to be retrained and, importantly, decision making to be restructured to conform to democratic principles. A core component of regaining public faith in an effective security sector is placing it under democratic control. One standard espoused by the international community is military forces coming under the general rules of parliamentary control—accountability and other procedures seen as important in establishing transparent and legitimate government.

It is time that Australia joined its closest allies and like-minded democratic states by involving the parliament in the decision to send troops into battle. Only by returning the power to deploy troops overseas to the most representative branch of government, by requiring both houses of parliament to agree, can sufficient debate and scrutiny exist for a decision to be made democratically—for a decision to be as representative of the will of the Australian people as possible. I commend the bill to the House.

Mr Wilkie: I second the motion and reserve my right to speak.

Debate adjourned.

High Speed Rail Planning Authority Bill 2013

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr ALBANESE (Grayndler) (10:21): High-speed rail has the potential to revolutionise interstate travel in this nation. Linking Brisbane and Melbourne via Sydney and Canberra is an ambitious project that requires legislators of today to show that vision, to think beyond the
next election and ask what they can put in place for the future. The 1,748 kilometre line would, according to the high-speed rail study produced last year, cost $114 billion. It would require 80 kilometres of tunnels, including 67 kilometres in Sydney alone.

According to the study I mentioned, a high-speed rail line would also have major benefits. It would allow people to travel from Brisbane to Sydney and from Sydney to Melbourne in less than three hours. The study also found that, for the Sydney to Melbourne sector—which it recommended should be built first—there would be an economic benefit of $2.15 for every dollar spent. In particular, high-speed rail would supercharge the economies of the regional centres through which it would pass, including here in Canberra. These also include the Gold Coast, Casino, Coffs Harbour, Port Macquarie, Taree, Newcastle, the Southern Highlands, Wagga Wagga, Albury Wodonga and Shepparton. These benefits would be significant and far-reaching.

After receiving the report, we indicated as a government that we would allocate $52 million to begin the serious process of planning for this project, including securing the corridor. This bill, the High Speed Rail Planning Authority Bill 2013, would put the mechanism in place to establish a high-speed rail planning authority to include representatives of the Queensland, New South Wales, ACT and Victorian governments as well as local government delegates and railway experts. At the heart of this bill is the idea that, while high-speed rail is a long-term project, it is nonetheless a project whose time will come—for two reasons. Firstly, as the feasibility study noted, trips down the east coast of Australia are expected to grow by about 1.8 per cent a year over the next 20 years—meaning they will increase by about 60 per cent on current levels by 2035. It is not possible to handle that amount of traffic using roads and airlines. Secondly, while the current government does not believe in meaningful action on climate change, its position is unsustainable in the long term; as the reality of a carbon constrained future becomes more and more apparent as each year passes, the case for high-speed rail will become even more compelling. It would take cars off the road and reduce the number of aircraft that would otherwise be required.

This is a result of a considered view—a considered view from a group that included the former Deputy Prime Minister Tim Fischer, Jennifer Westacott of the BCA, the head of the Australasian Railway Association, Bryan Nye, sustainability expert Professor Peter Newman of Curtin University, the RTBU’s Bob Nanva, the deputy secretary of my former department, Lyn O’Connell, and Professor Sue Holliday, a planning expert from the University of New South Wales.

This view was adopted unanimously as a recommendation to government and yet this government took the $52 million that was allocated for this process out of the budget in May. This is in contradiction of the current minister, Minister Truss’s statement to the AusRAIL 2013 conference in Sydney after he was appointed, where he said:

You cannot designate a corridor through our cities, suburbs, towns and rural landscapes without being willing to purchase the affected lands and that will be expensive and without an immediate return.

The minister also promised to consult with state and territory leaders about the project. That is why we are putting forward this bill. That is why the government should reinstate the $52 million that it took out of high-speed rail—to support the high-speed rail authority and to coordinate the beginning of the preservation of the corridor for that project. For that you need
planning, but you also need investment. The former government put that in place. The current government has removed it.

The day-to-day demands of this parliament are indeed great, but what the Australian people expect is a government that will look forward to the future. High-speed rail is about vision, it is about transforming our regions, it is about reducing our emissions, and it is about effectively being able to travel from our capital cities down the east coast. The study that we put in place indicated that it was viable and this government should provide that support. The start of that would be support for this bill. I commend the bill to the House.

Debate adjourned.

PRIVATE MEMBERS' BUSINESS

Greste, Mr Peter

Mrs PRENTICE (Ryan) (10:27): I move:

That this House:

(1) expresses concern at the detention in Egypt of Australian citizen Peter Greste;
(2) notes that:
   (a) Mr Greste is detained and currently on trial solely for conducting his role as a journalist and for peacefully expressing his opinion on events in Egypt; and
   (b) the imprisonment of Peter Greste is contrary to the right to freedom of speech and expression;
(3) recognises that the Prime Minister, Minister for Foreign Affairs and the Attorney-General have all been in contact with their Egyptian counterparts seeking Peter Greste's release; and
(4) notes that the Australian Government:
   (a) is offering all possible consular assistance to Peter Greste and his family;
   (b) has been working with Egyptian authorities at all appropriate opportunities; and
   (c) is making direct and high-level representation to a number of other governments as part of a multi-pronged strategy to raise our ongoing concerns about the case.

I commence by paying tribute to the Greste family: Lois and Juris Greste, and Peter's brothers, Andrew and Mike. In particular, my contact has been with Lois and Juris, who have been so dignified and stoic at what must be one of the worst times in any parent's life. I doubt I could be as unfaltering if I were in their place.

Peter Greste is an internationally acclaimed Australian journalist and correspondent. He has worked for Reuters, CNN, WTN and the BBC. From 1991 to 1995 he was based in London, Bosnia and South Africa. In 1995 he was based in Kabul, Afghanistan, where he was a correspondent for the BBC and Reuters, after which he was based in Belgrade, returned to London and then to Mexico, followed by Santiago. He returned to Afghanistan in 2001 to cover the start of the war. After Afghanistan he worked across the Middle East and Latin America. From 2004 he was based in Mombasa, Kenya, then Johannesburg, followed by Nairobi, where he has lived since 2009. In 2011 he won the Peabody Award for a documentary on Somalia. He is a correspondent for Al Jazeera in Africa.

So Peter truly is a citizen of the world, respected by everyone for his dedication, ability and professionalism. Communities across Australia and indeed the world who have been touched by Peter are now anxiously awaiting the verdict to be handed down later today our time. There are communities such as Indooroopilly High School, with over 50 nations represented.
in the student cohort and with social justice as one of their core values, so how appropriate that Peter was their school captain.

In moving this motion today, I also want to acknowledge the broad bipartisan support across the parliament—not only the second of the motion, the Honourable member for Berowra, Phillip Ruddock, who is also my predecessor as co-chair of Parliamentary Friends of Amnesty, but also my current fellow chairmen, the member for Scullin, Andrew Giles, the member for Denison, Andrew Wilkie, and Senator Penny Wright.

It is appropriate that Parliamentary Friends of Amnesty take a keen interest in the Peter Greste trial. Amnesty International was founded in 1961 and is one of the largest and most active human rights organisations in the world. It is concerned strictly with prisoners and seeks the release of what they call 'prisoners of conscience'. Some of their guiding principles include a focus on the individual prisoner, all action being grounded on fact and the organisation being strictly impartial.

Being a journalist is not a crime. Telling the truth is not terrorism. The long-awaited verdict on Peter Greste is expected to be announced later tonight. The government remains hopeful that, when Mr Greste's trial is finalised, he will be acquitted on the charge of colluding with a terrorist organisation and released. Given the evidence presented by the prosecution, the foreign minister has stated that she would be highly concerned if Peter Greste is given a custodial sentence.

From the outset, the Australian government offered all possible assistance and Australian diplomats were allowed to be present for many of the hearings and interviews with Mr Greste. Peter was moved to Tora Prison on 1 January 2014. Conditions are basic and he was initially not allowed reading or writing material, nor to make contact with family and friends. However, consular officials visited Mr Greste on more than 22 occasions to date. Through consular representations officials obtained improvements in Mr Greste's prison conditions, including frequent consular visits, family visits, telephone calls to his parents in Australia, access to books and magazines, Arabic language textbooks, improved food rations and access to supplementary food items, and the installation of a fan in his cell.

Very shortly after his arrest, I met with his parents Lois and Juris, who had by that stage been in telephone contact with him. His parents had also been in direct contact with the foreign minister's office by that stage and were aware that Minister Bishop was offering all support and assistance that she and the government could provide. The government as a whole, and specifically the work of the foreign minister, the Prime Minister and the Attorney-General, has consistently made clear its deep concern at the charges against Mr Greste. We are all aware that he was doing nothing more than performing journalistic activities at the time of his arrest on 29 December 2013.

With the inauguration of President el-Sisi on June 8, the government continued its program of high-level representation to the Egyptian government, urging that Mr Greste's trial be concluded promptly and that he be enabled to return home. The Prime Minister spoke to the then interim Egyptian President Mansour, and foreign minister Bishop and the Attorney-General have also had discussions with their Egyptian counterparts.

Mr Greste was charged with collaborating with the outlawed group, known as the Muslim Brotherhood, by:
1. their agreement and assistance to supply members of that group with funds, equipment, tools and information, in full knowledge of that group's aims;

2. possession of publication and recordings that include promoting their goals in order to inform others about them, in full knowledge of that group's aims;

3. broadcasting data, news, false rumours and untrue images, and presenting them to the public, inside and outside the country, with the aim of creating an impression amongst public opinion that the country is witnessing a civil war in order to weaken the state's image and standing, to harm the country's national interest, disrupt public security, spread panic among the populous and inflict damage on the public interest; and

4. possession of telecommunications, photographic and broadcasting equipment, and equipment to transmit sound and images, without a permit from the competent authority.

Anyone who knows Peter Greste is confident that he is innocent of all these charges. There have to date been 12 hearings in Mr Greste's trial, in the Cairo Criminal Court. Mr Greste has been denied bail at all hearings.

There have been many and continuing instances where our government has made representations to the Egyptian authorities. Prime Minister Abbott spoke by telephone to then interim President Mansour and he expressed appreciation for the President's letter to Mr Greste's parents and sought assistance from the President to bring about an early resolution of the case and Mr Greste's release. Minister Bishop has spoken with Egyptian ministers on many occasions. She has met with Egypt's Ambassador to Australia and raised Mr Greste's case. The Attorney-General, Senator Brandis, also telephoned the Egyptian justice minister about the case in April. Australia's Ambassador to Egypt, Dr Ralph King, met the Minister of Justice and the Prosecutor-General in January to seek advice on the basis of the investigation into the activities of Mr Greste. Dr King also met the Assistant Minister for Prison Affairs to seek improved prison conditions and he also met the President of the Court of Appeal to press for the ongoing provision of a translator for Mr Greste during court proceedings. As well as other high-level meetings, Lois and Juris, Peter's parents, wrote an open letter, to which the then-interim President and Chief Justice of Egypt, Mr Adly Mansour, replied that he would 'spare no effort to work towards the speedy resolution of the case'.

The case of Peter Greste is incredibly concerning. Free press is in every person's and every country's interests. As Prime Minister Tony Abbott stated:

A free press will help every country, including Egypt, to be better in the months and years ahead and obviously a free press is not compatible with harassing journalists going about their ordinary business.

The trial of Peter Greste has received notable international reaction. In January, US Secretary of State John Kerry said:

We have consistently expressed our serious concern about the limits on freedom of peaceful assembly and expression in Egypt, including leading up to the referendum, just as we expressed our concerns about the dangerous path Egypt's elected government has chosen in the year that led to 2013's turbulence. The United States again urges all sides to condemn and prevent violence and to move towards an inclusive political process based on the rule of law and respect for the fundamental freedoms of all Egyptians.

The Office of the United Nations High Commissioner for Human Rights has also called for the release of Mr Greste. A spokesperson for the high commissioner said that the arrest was based on vague charges and was of great concern and had increased fears among the general media. In a White House press briefing in February, spokesman Jay Carney said that the
detention was ‘of deep concern to the administration,’ and went on to say, ‘We have strongly urged the Egyptian government to drop these charges.’

With the verdict being handed down today, I think I can speak for all Australians when I say that we are hopeful for a positive outcome and our hearts go out to his family during this tough time. Being a journalist is not a crime. Telling the truth is not terrorism. I commend the motion to the House.

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (10:36): Of course, the opposition strongly supports this motion. Peter Greste, an experienced Australian journalist, was arrested in Egypt, along with his two colleagues, in December last year charged with spreading false news and supporting the Muslim Brotherhood. Today, Peter Greste’s family, his journalistic colleagues in Australia and around the world and many Australians are waiting anxiously for the verdict, which is expected this evening Australian time.

We support Peter Greste because he was simply doing his job, and his job is a job that is vital in a free society and in a democracy. Journalism is one of the most basic foundations of our democracy, and it is especially important at a time of turmoil and transition, such as Egypt has experienced in recent years. We greatly admire the strong support Peter Greste has been given by his family. His two brothers, Andrew and Mike, will be in court today, and his parents, Juris and Lois, have been giving amazing support to Peter. Other family members have been engaged in campaigning to make sure that Peter’s case is before the public, and his friends have been very active on his behalf. At times like this, times of adversity, we know how important family can be. I am sure that Peter is immensely proud of the role that his parents and his brothers have played in stepping up to the challenge and campaigning so tirelessly on his behalf.

We applaud the support that Mr Greste and his colleagues from around the world have received from, for example, US Secretary of State, John Kerry, who has raised the importance of press freedom with President el-Sisi. Journalist organisations have also been very vocal in their support, and the member for Ryan has spoken about the role that Amnesty International have played. We commend the government, too, for its advocacy with the Egyptian government. I note that the Prime Minister has spoken recently, in the last 24 hours, to the newly elected Egyptian President, Abdel Fattah el-Sisi, and that the foreign minister has spoken in recent days to her counterpart. Of course, the foreign minister has spoken in the past to the foreign minister as well. We are very pleased to see that the level of consular support provided to Mr Greste in jail has been consistent and of a very high quality, and I congratulate the staff of the Department of Foreign Affairs and Trade who have been offering that consular support.

Peter Greste has been a journalist for 25 years. He says that he was inspired by Australian cameraman Neil Davis, who died while reporting a coup in Thailand in 1985. Mr Greste said it was Davis’s biography that inspired him to become a foreign correspondent. I remember reading that biography as a young woman—a biography by Tim Bowden called One Crowded Hour. It took its title from a poem by Thomas Osbert Mordaunt. Davis loved that poem and he wrote it on the flyleaf of all of his work diaries: ‘One crowded hour of glorious life is worth an age without a name.’ Neil Davis displayed extraordinary courage during his life as a cameraman, and the biography goes with Davis through some of the war zones that he served in as a cameraman.
Davis—from memory—started his life in regional Tasmania, and Mr Greste began his career in regional Victoria before working in Adelaide and Darwin. His career as a foreign correspondent began in 1991. He has worked as a freelance reporter for Reuters TV, for CNN, for WTN and for the BBC. Peter Greste joined Al Jazeera English in 2005 to report on north Africa. He won a Peabody Award in 2011, as the member for Ryan said, for a documentary on Somalia, the focus of much of his work since he moved to Africa nine years ago. You get a strong sense of his commitment from the places that he has worked. As well as Africa, he has covered Afghanistan and Central Asia, the Balkans, Iraq and Latin America—certainly not the career choices you make if you are after an easy life.

Peter Greste is no stranger to danger. While working for the BBC in Somalia in 2005, he witnessed the death of his producer, Kate Peyton. Ms Peyton was shot in the back while they were both standing outside a hotel in Mogadishu. In an interview with the ABC, Mr Greste recalled the incident. He said:

... we both knew what we were getting into.

It was a risk we both judged to be worth taking, if only because so few reporters have been into Somalia in the past decade, and nobody can hope to make a considered judgment of either Africa or Islamic extremism without understanding why that country has remained so anarchic.

It was the same commitment to his job, to helping the world better understand important events, that took him to Egypt late last year. Ironically, Mr Greste thought that his assignment to Cairo had been quite routine. Again, that reminded me of Neil Davis's story. Neil Davis considered the coup that he went to cover in Thailand as quite a routine assignment. It was that assignment that saw him lose his life.

Peter Greste said in a blog he wrote from his prison cell that he had gone to Egypt to take the 'opportunity to get to know Egyptian politics a little better'. He wrote that his search for 'accuracy, fairness and balance' had led him to the banned Muslim Brotherhood. I quote him again:

How do you accurately and fairly report on Egypt's ongoing political struggle without talking to everyone involved?

He went on to say:

We had been doing exactly as any responsible, professional journalist would—recording and trying to make sense of the unfolding events with all the accuracy, fairness and balance that our imperfect trade demands.

The Peter Greste case is a reminder of the important role that journalists play in bringing news of conflict to the nation and to the world. And, sadly, it is also a reminder of the phenomenal risks that our foreign correspondents take in undertaking their work, just going about their day-to-day lives.

You can go back as far as Charles Bean, who was the official correspondent of World War I. He was the correspondent with the Australian Imperial Force troops. He beat Keith Murdoch to that job. He landed at Anzac Cove on 25 April 1915, a few hours after the first troops had landed. He stayed there for most of the campaign, and he lived in the same difficult conditions as our soldiers. You also do not have to go that far back in history to think of the Balibo five and Roger East, Australian-based journalists who died in East Timor in 1975, reporting on the Indonesian invasion.
Today we have correspondents in most of the most dangerous places on the world. Samantha Hawley has been covering the troubles in Bangkok recently. There is Terry Moran, in Kirkuk, and Matt Brown, a Middle East correspondent, who seems to fly into danger as other people fly out of it. There are so many examples of Australian journalists who have taken great risks for their craft, including Sally Sara in Iraq, Michael Weir and Paul McGeough. There is a group of Australian correspondents who risk their lives because they are chasing the story and because, I guess, journalism is in their blood, but much more importantly because they understand that for Australians to have a true sense of our place in the world, for us to truly understand both the risks and the opportunities that exist in the world, we have to have Australian voices with an Australian perspective of how we fit into the great events that are shaping history today. Peter Greste's work is in the same fine tradition.

We are fervently hoping for a good ending to this difficult chapter in Peter Greste's life and career. Our thoughts are with his family and friends, and his colleagues in Australia and around the world, who are today waiting with almost unbearable anticipation for the results of his legal proceedings. Our best wishes go to his parents and family.

Mr RUDDOCK (Berowra—Chief Government Whip) (10:46): It is a privilege to be able to second this motion. I will not say it is an honour and I will not say it is a pleasure, but I commend the member for Ryan for proposing this motion and I commend the member for Ryan for her willingness to assume the leadership of the parliamentary Amnesty group. In moving this motion she spoke of the interest of that organisation and the members of it in supporting this resolution today.

I take the opportunity of saying that this is one of the finer moments of the parliament. That is because it is a measure in which there is a unanimity of view expressed by the Deputy Leader of the Opposition and I am sure it will be reflected in the further comments and observations that are made during the course of this debate. It is not always the case that we have that degree of unanimity of view, but when it does occur it says a great deal about our parliament, the institution and our willingness to put aside differences of view to try and achieve a worthwhile outcome on a matter of moment. This motion seeks to do just that.

It notes that Mr Peter Greste has been detained and is currently on trial. We know it is a very sensitive time in relation to that trial right now. Let me say a few matters about Egypt. I recognise that Egypt has faced very considerable challenges. I recognise that it is a country that has people of different religions and different cultures, and sometimes they do present management issues. I understand that. But I think those sorts of differences do need to be managed. We are a country that respects the rule of law and we do not seek to interfere in the exercise of judicial power. We want to see the rule of law operate in Egypt. We do not want to interfere with their justice system, but we want their justice system to be just and one that produces just outcomes.

We have been active, noting that we believe that Mr Greste has not been seeking to undermine Egypt and the rule of law in that country. We do think that there is an entitlement for people to be able to report on what is happening around the world. So I think it is important that the parliament notes that in this very sensitive matter—and it is a sensitive matter—the Australian government has been offering all possible consular assistance to Peter
Greste and his family. The government has been working with Egyptian authorities and it is making direct and high-level representation.

The member for Ryan detailed those matters in very considerable detail. The Prime Minister and the Minister for Foreign Affairs have been active in ensuring that our interest in one of our countrymen, who is being detained and dealt with within Egypt's judicial system, is a matter of concern to this nation and the people of this nation.

We do understand that terrorism is a difficult issue. We do understand that the law sometimes has to deal with those who seek to undermine institutions and important values that we see as being fundamental. But our response needs to be proportionate and appropriate in dealing with those threats. In speaking to this matter, I speak to encourage Egypt not only to protect its sovereignty and its people but to do so in a just way and to respect certain fundamental human rights and values, as it moves forward.

Mr LAURIE FERGUSON (Werriwa) (10:51): In congratulating the member for Ryan in initiating this motion, I do so not from the perspective of the normal niceties that are renowned in these debates but out of a genuine appreciation of her efforts. They are characterised not only by this particular instance but by her leadership within the Amnesty International Group and broader human rights issues in other nations. I do congratulate her. I recognise the efforts of Australia's public servants in pushing home this issue on behalf of the Greste family and on behalf of the Australian people in their concern about Peter Greste and his current predicament.

This matter has dragged on since December. Abdullah Al-Shamy, one of the other people detained from Al Jazeera, has been involved for a very long time in a hunger strike. I understand that that has finished in recent days and I am very glad.

We have heard other speakers enunciate the role of this journalist, Peter Greste, around the world in so many difficult areas during conflict and in areas where human rights are suppressed. We know that he has received international awards, which indicate his professionalism. He has been employed by a significant number of first-rate international media outlets. The joint statement of the editors of the BBC, Reuters, ITN, Sky, NBC and ABC News—which can probably agree on very little else—of 21 February this year, noted:

… Peter Greste to be a fine, upstanding correspondent who has proved his impartiality over many years

He writes—

that is, Peter, that when the Muslim Brotherhood was listed as a terrorist group:

… “it knocked the middle ground out of the discourse. When the other side, political or otherwise, is a 'terrorist', there is no neutral way… So, even talking to them becomes an act of treason, let alone broadcasting their news, however benign.”

That was a predicament that he was in, as a professional journalist, in trying to convey to the rest of the world an understanding of what was occurring in Egypt.

I, along with the member for Berowra, have had the opportunity to attend many rallies in Sydney around concerns about the suppression of rights during the hegemony of the Morsi Muslim Brotherhood regime. We naively thought that we would never be involved in resolutions such as this, if they were to be replaced. But that is not the case. Obviously, there
are also significant measures in the constitution of Egypt which would lead one to expect that these resolutions would not be necessary. Article 70 of the constitution affirms:

… freedom of the press, printing and paper, visual, audio and electronic publication is guaranteed.

Furthermore, article 71 notes:

It is prohibited to censor, confiscate, suspend or shut down Egyptian newspapers and media outlets in any way …

And further:

… no freedom-restricting penalty shall be imposed for publication or publicity crimes.

Given our belief that this Australian journalist has displayed commendable neutrality and impartiality and that his career has indicated that, it is of concern that he would face a sentence in this case of 15 to 25 years. This presents an unfortunate view to the world about what is prevailing in that country. It has been noted by the shadow foreign minister that Neil Davis was an inspiration to him. We know that he typifies the problems confronted by journalists; ironically, if he was in Thailand today Davis might be facing the same situation.

I very much want to join with the other members of parliament who see the need for the world to recognise that there are proper judicial practices and people are given a fair trial. It was disturbing that at an early stage Mr Greste was given no writing materials and no visits from his family. Clearly, the world needs journalists out there to interact with different forces within any regime, to understand what is going on and appreciate the full nuances of problems and understand the culture. I am pleased to be part of this significant cross-parliamentary reaction in calling for his release.

Mr LAUNDY (Reid) (10:56): I rise today to speak to this motion and to add my concern about the ongoing detention in Egypt of Australian citizen Peter Greste. Following on from the member for Werriwa, the member for Berowra and the member for Sydney, I too would like to commend the member for Ryan for putting this motion before the House. The member for Ryan and I share a love for human rights, as does everyone who has spoken on this motion—it is bipartisan, as the member for Werriwa said. I also note that I did not put my name down to talk on this motion, the member for Ryan did, and I wear that as a badge of honour. She rang me to tell me she had done that and I am absolutely thrilled to have the opportunity to talk on this issue today.

As we meet today, almost six months have passed since Mr Greste was arrested in Egypt on a range of charges stemming from his work as a journalist. I join with the foreign minister and others in expressing the hope that we will soon see a verdict handed down in Mr Greste's case that will acquit him of all charges and that, hopefully, he will be home soon. I note the sensitivity of this matter as the verdict is due today. I would like to commend the Prime Minister, the foreign minister, the trade minister and the Attorney-General, who have been working tirelessly in expressing their concerns to the Egyptian government about the charges labelled against Mr Greste.

I am also aware that there have been a large number of diplomats, both Australian and otherwise, who have met to speak on this case and are working hard to provide assistance to Mr Greste and his family. It is my understanding and that of the Australian government that the charges against Mr Greste cover activities that would very much fall under the normal journalistic activity of a respected and award-winning foreign correspondent, which he is.
In my electorate of Reid we have a significant community of people from Middle Eastern and African backgrounds. I have followed closely, along with my constituents, the political unrest and turmoil across the region in recent years arising from the Arab Spring and the push for free and democratic societies in many countries, including in Egypt. It is obvious that there is a push, especially amongst the young people of the Middle East, for more open and free societies. The elections in Egypt last month were noted by the European Union observers as being held in a democratic and free environment. That is encouraging to hear and I congratulate President el-Sisi for his success. It is my hope that the recent elections will lead to a more stable environment in Egypt and a continued acceptance of the democratic values that the people of Egypt have been working towards in recent years.

It should be noted, however, that a core tenet of a free and democratic society has been and will always be freedom of the press—a free press that reports the facts independently and without fear or favour. As I am sure most of my colleagues in this parliament will agree, a free and independent press definitely works to keep members from all sides of politics accountable to the people they are elected to represent. But it also provides an essential service in a modern democratic country such as Australia, ensuring that the people are informed of all sides of the debate, no matter how politically inconvenient it may be. A free press is in everyone's interest, most notably the citizens of a country, but the benefits also extend to a country's regional and global partners, ensuring open and accountable political processes. As the Prime Minister stated this morning, independent media is 'good for democracy, good for stability, and good for security'.

Once again, I commend everyone who has been working to secure Peter's release. I note that as recently as this weekend the Prime Minister was speaking with President el-Sisi, and the foreign affairs minister spoke with her counterpart in Egypt to discuss the case. I would also like to mention the efforts of Peter's family, who have been working tirelessly over the last six months to support Peter as much as they can. It is written in my notes, 'I can only imagine,' but I cannot imagine the strength it has taken for the family to work through this period, and I hope their efforts are rewarded in today's verdict and that we have Peter Greste home as soon as possible. As the father of a 16-year-old who is currently in New York on a two-week trip and who is determined to become a journalist at some stage in his life, I reiterate: I cannot begin to imagine what Peter's family have gone through and continue to go through. I know that all my colleagues in this House will join with me when I say that they are in our thoughts and prayers. I hope things go well today.

Ms RISHWORTH (Kingston) (11:01): I would first like to thank the member for Ryan for moving this important motion. I know that she has a personal connection with the Greste family and has followed this case very closely. Today, after nearly six months of imprisonment and 12 hearings, the Egyptian courts will hand down a verdict in the case of detained Australian journalist Peter Greste and his Al Jazeera English colleagues. For Peter, his family, his colleagues, his friends and his supporters, this has been six months of uncertainty and anxiety. Indeed, I think it has been six months of concern for all Australians.

Peter Greste and his two colleagues were detained by Egyptian authorities last December, charged with 'airing misleading news' about Egypt's political situation. If convicted, the three face between three years and life in prison, and the prosecution has been asking for a sentence
of 15 years. This is obviously a very difficult time and also a very sensitive time. I hope, as many others do, that today Peter Greste and his colleagues are freed.

Peter Greste left Australia in 1991 to pursue his dream of becoming a foreign correspondent. Since then, he has covered Afghanistan and Central Asia, the Balkans, Iraq, Latin America and now Africa, where he has lived for the past nine years. In 2011, he won a prestigious Peabody Award for a documentary on Somalia, a place that has become a major focus of his work since moving to East Africa. His work highlights the important work that many of our foreign correspondents do, bringing the news around the world to us here in Australia. It is also an important reminder of how critical the freedom of the press is and, here in Australia, how lucky we actually are.

In the last 48 hours, I am aware that the Abbott government has stepped up its diplomatic efforts to have Peter released, with foreign affairs minister Bishop speaking directly to Egypt's newly elected foreign minister to convey Australia's desire for Peter to be allowed to return home as soon as possible. The Prime Minister, the Minister for Foreign Affairs and the Attorney-General have all been in contact with their Egyptian counterparts seeking Peter Greste's release and I commend them on this. They are making representations at every level within the Egyptian government to ensure that Peter Greste is home as soon as possible. This matter has bipartisan support from both sides of the House. Certainly, the shadow minister for foreign affairs and Deputy Leader of the Opposition has also been making her comments in a very bipartisan manner, with one goal in mind. I am pleased that the Australian government is doing everything it can to support Peter and his family. I hope its efforts prove successful.

This, I can only imagine, would be an extremely difficult time for Peter and his family. Peter's brothers have been in Egypt for much of the last six months, following the trial and providing whatever support they can to Peter. I have great admiration for Peter's family, their strength and their perseverance.

This case has highlighted how important consular assistance is for Australians who find themselves in difficulty overseas. Many Australians seek help from the government each year, and consular assistance is so important and so vital in supporting Australians and their families when they are caught up in disasters or political turmoil abroad. The cases handled by the Department of Foreign Affairs and Trade are often extremely complex and they do incredible work. Peter and his family have been in regular contact with the Australian consular officials, and our Australian officials in Cairo have been doing the very best they can. It is a good opportunity to commend our diplomats overseas on the work that they have done on this case and the support they have provided.

Today, my thoughts are with Peter and his family, and with his two Al Jazeera colleagues and their families. I know that everyone in the House—and, indeed, around Australia—is hoping for news this afternoon of Peter's release and his safe return home to his family. I commend this motion. I commend the member for Ryan for bringing it to the House. I have so much hope for good news later on this afternoon.

Mr TEHAN (Wannon) (11:06): It is indeed a privilege to get up here, support this motion and follow on from all the previous speakers, who have also spoken so eloquently on this private member's business. It is worth reminding the House what this motion is about. It asks:

That this House:
(1) expresses concern at the detention in Egypt of Australian citizen Peter Greste;
(2) notes that:
    (a) Mr Greste is detained and currently on trial solely for conducting his role as a journalist and for peacefully expressing his opinion on events in Egypt; and
    (b) the imprisonment of Peter Greste is contrary to the right to freedom of speech and expression;
(3) recognises that the Prime Minister, Minister for Foreign Affairs and the Attorney-General have all been in contact with their Egyptian counterparts seeking Peter Greste's release; and
(4) notes that the Australian Government:
    (a) is offering all possible consular assistance to Peter Greste and his family;
    (b) has been working with Egyptian authorities at all appropriate opportunities; and
    (c) is making direct and high-level representation to a number of other governments as part of a multi-pronged strategy to raise our ongoing concerns about the case.

Representations have been made by the Australian government on behalf of Peter Greste, and I commend the foreign minister, Julie Bishop, for the job that she has done in advocating for the release of Peter Greste. She has obviously made contact with the new Egyptian foreign minister, but she was also very active in making contact with the previous interim administration. The Prime Minister also has, obviously, over the weekend spoken with Egypt's new President. In a very good development over the weekend, we also saw the US Secretary of State, John Kerry, make a special trip to Cairo. In a very important move, I thought, from a US Secretary of State, he highlighted to the Egyptians in a press conference the need for the Egyptians to uphold press freedom.

This motion here today goes to that very fundamental principle: the importance of upholding press freedom. Our Prime Minister has led the way in highlighting this importance when he said:

... I do want to make this point and make it very strongly: a free press is in everyone's interests.

The Prime Minister also went on to say, this morning or yesterday in a press conference on this matter, that, in his view—and this is a point that he made to the Egyptians—Peter Greste was reporting on, not supporting, the Muslim Brotherhood when he did his reporting. We in the House should always remember the importance of the press in the job that we do. As Thomas Jefferson, the third US President, put it so succinctly:

Were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter.

I think that sums up this debate extremely well.

Freedom of the press is integral to democratic government. It goes to the core of having a proper functioning democracy. It is the surest way of maintaining trust between a government and its people. Without a strong press, no government can be adequately scrutinised or held to account, and if a government cannot be scrutinised or held to account, the people that put it there will never have true confidence in that government.

This motion here today, which I support, calls for the release of Peter Greste. It is an important motion because it not only highlights what is happening to an Australian citizen in Egypt at the moment but reminds us all of the broader principle here—the fundamental role that the press plays in ensuring that we can have proper, functioning democracies.
Mr GRIFFIN (Bruce) (11:11): I also rise in a spirit of bipartisanship to speak in support of the motion moved by the member for Ryan, and join in her expression of deep concern over the detention of Australian Peter Greste in Egypt. I would also like to join the member for Ryan in noting the work done by this government and the continued consular support offered to Mr Greste in seeking his release. I hope that all of the work done will, indeed, secure Mr Greste's freedom.

After six long months in detention and over 12 court hearings, Australian Peter Greste, along with his colleagues, will later today know of their fate when a verdict is handed down by an Egyptian court. Today I join with other members in suggesting that nothing but Greste's being released and returned home safely will be acceptable.

Al Jazeera journalist Peter Greste was arrested on 29 December 2013 with his two colleagues Mohamed Fahmy and Baher Mohamed when their Cairo hotel room was raided. Egyptian prosecutors have demanded the maximum penalty—ranging from 15 to 25 years in jail—for all 20 defendants in the trial of Al Jazeera journalists accused of aiding the blacklisted Muslim Brotherhood. The prosecution has charged the 16 Egyptian defendants with joining the Muslim Brotherhood, designated as a terrorist group. The four foreign defendants in the case, including Greste, are charged with spreading false news, collaborating and assisting the Egyptian defendants in their crimes by providing media material, editing it and publishing it on the internet at Al Jazeera. In light of the looming verdict to be handed down by the court at some point today, I join other members in calling for Greste and his colleagues to be released.

Peter Greste has had an amazing career in journalism which we can all be proud of. We all hope for his speedy release from detention into freedom so that he can continue the work that he has excelled in for so long. Greste launched his journalism career in regional Victoria before gaining further experience in Adelaide in Darwin. He left Australia in 1991 to pursue his dream of becoming a foreign correspondent, working as a freelancer for Reuters TV, CNN, WTN and the BBC.

Peter Greste has shown much courage in working in some of the world's most dangerous places to ensure the rest of the world can have insight into the hardship of some of the world's most vulnerable people. Greste worked for the BBC as Kabul correspondent in 1995, covering the emergence of the Taliban. After the 11 September attacks in 2001, he returned to Afghanistan to cover the war before continuing his work across the Middle East, Central Asia and Latin America. In 2004 Greste relocated to Mombasa in Kenya, where he worked as a freelance journalist and photographer.

On assignment for the BBC in 2005, Greste witnessed the death of his producer, Kate Peyton, who was shot in the back while they were both standing outside a hotel in the Somali capital, Mogadishu.

He returned to Somalia in 2011 to film a BBC documentary about life in the war ravaged nation, which won a prestigious Peabody Award. For the past nine years he has worked as a correspondent for Al Jazeera in Africa. As you have heard, he is an internationally renowned and respected journalist. The outpouring of support that has occurred on his behalf from respected media outlets throughout the world has been there for all to see.
There is no doubt that Egypt faces a number of challenges at the moment in terms of its move into democracy. And there is no doubt that those challenges are for the Egyptian people and the Egyptian authorities to deal with. There is also no doubt that respect for the rule of law in our dealings with countries other than our own is paramount. But, as other speakers have also mentioned, freedom of the press is an essential part of a society that is free. And freedom of the press produces, within itself, difficulties for the societies in which it is pursued.

There are plenty of times when I have criticised journalists in this country and, sometimes, overseas. There have been plenty of times when I have wondered about the way individual journalists and, sometimes, media organisations have undertaken their journalism. However, there is no doubt that the principles underlying freedom of the press are essential. And there is no doubt that trying to report the truth—and ensuring that it is widely reported—in environments such as those in the Middle East, is extremely difficult. I join with others in this chamber, in this community, within the government and throughout the world, to call on the Egyptian authorities to consider these issues with mercy and compassion and to ensure that journalists such as Peter Greste get a fair trial. I hope that Peter Greste and his colleagues will soon be released and I show great respect to their families for the suffering and pressure that they are currently facing.

Debate adjourned.

**Shipbuilding Industry**

*Ms PARKE* (Fremantle) (11:17): May I associate myself with the remarks made by other members in this place on the motion relating to Peter Greste and his Al Jazeera colleagues. We wish them all a speedy release and that respect for the rule of law be upheld in Egypt. I move:

That this House:

(1) notes that:

(a) shipbuilding is an industry that delivers the highest-value and most complex manufacturing outcomes produced in Australia, and therefore represents expertise and capacity that must be maintained for its very significant national economic and security benefits;

(b) as an example of the multiplier effects of shipbuilding projects in respect of the quality and range of manufacturing it both requires and enables, at the commencement of the Collins-class submarine project there were only 35 Australian companies certified to Defence quality standards, whereas by 1998 there were more than 1,500;

(c) there are currently more than 7,000 people employed in shipbuilding across Australia, including more than 4,000 people employed in naval shipbuilding alone;

(d) the Government has identified the need for more than 80 ships over the next 30 years for service in the Royal Australian Navy, and as part of border protection, Antarctic operations and scientific research, among other roles; and

(e) if Australian shipbuilding is not supported through a properly planned and managed program of project and maintenance work, it is likely that shipyards will close, thousands of jobs will be lost, and the critical expertise and capacity that have been developed will be irreparably squandered; and

(2) calls on the Government to:
(a) provide certainty to the Australian shipbuilding industry and to thousands of Australian workers by settling a short, medium and long term program of government shipbuilding projects to ensure a balanced work flow and smooth delivery of key naval assets; and

(b) bring forward relevant shipbuilding projects, including the Pacific patrol boat and replacement Anzac frigate projects, in a timely manner to ensure that shipyards, companies, and workers are not put at risk.

I am glad to bring this motion, because shipbuilding in Australia is an industry with wide and distinctive economic value, and with specific sensitivities that need to be considered, especially at this time. It is an industry that is strongly present in my electorate of Fremantle. The Australian Marine Complex at Henderson is a world-class centre for excellence in manufacturing and fabrication, in assembly and maintenance, and in new technology development, and the more than 150 businesses within the AMC provide services to the marine, defence, and resource industries.

Needless to say, it is home to a number of shipbuilding companies, including BAE Systems, Austal and ASC, among others, and it includes some unique infrastructure, particularly in the form of the Common User Facility's floating dock, considered the most technically advanced of its kind in the world, and capable of lifting vessels of up to 12,000 tonnes out of the water. The AMC has played an integral part in the maintenance of the Collins class submarines, and is also contributing to the work that allows the Anzac class frigates to perform their role as Australia's front-line Defence vessels.

I recently met with Australian Manufacturing Workers Union delegates from ASC and BAE Systems, who expressed their concern that jobs and productive capacity, in my electorate and Australia wide, could be put at risk if decisive action is not taken by government. Australian shipbuilders—companies and workers alike—are rightly concerned that, in the absence of a carefully planned and managed program of new projects and maintenance in relation to vessels, which the government has already identified as being necessary, the complex 'ecosystem' of the Australian shipbuilding industry will be damaged.

The reality is that shipbuilding at the level of major Defence projects can only occur through the application of capital and labour resources that cannot be marshalled out of thin air; the companies and workers that produce ships and submarines to serve roles in the Royal Australian Navy are part of a manufacturing 'ecosystem', as I have described it, that takes a long time to develop, and that is sustained by a life-flow of production and maintenance activity. Indeed, as I have stated in the motion, the Collins class submarine project had a dramatic effect in raising and diversifying the productive capacity of hundreds and hundreds of companies, and engaging the input of thousands of highly-skilled workers. That outcome has delivered and continues to deliver wider economic benefits. It also means that thousands of Australians have benefited from education and on-the-job experience that equates to absolutely top-shelf manufacturing expertise.

The complexity and scale of the industry, with the scope of both the capital investment and the investment in education and training, and in human capital more broadly, should not be jeopardised by paralysis within government on this issue. As my colleagues the shadow minister for defence and the shadow parliamentary secretary for defence, have consistently and strongly argued, the government should act now to provide clarity and certainty by taking shipbuilding projects it knows must occur, and committing to those projects in ways that will
bridge the gap between work and maintenance that is tapering at present, and the work and maintenance that we already know must ramp-up future.

To conclude I want to emphasise the direct and indirect value of Australian shipbuilding; and I want to emphasise the fine line that exists between an industry that should continue to flourish as the most sophisticated form of manufacturing in this country, and an industry that could fall off a cliff in the absence of responsible action by government. We cannot, as a nation, afford to have another key piece of our manufacturing capacity run down, with the loss of expertise, jobs, and economic capacity that this would represent. Such a loss should be regarded as untenable by any reasonable person, and, above all, it needs to be recognised that if, through government irresponsibility or inaction, the industry is damaged, it is likely to suffer in ways that cannot be repaired.

Even from a purely cost-driven perspective it must be acknowledged that if that damage occurs, future projects will almost certainly take longer to deliver and will cost more. And it must always be remembered that Defence manufacturing is a kind of capacity that carries a national-interest significance above and beyond its economic and social value.

It is for all these reasons that I have brought this motion that calls for the government to take action to provide clarity and certainty; to bring forward projects from within the set of some 80 vessels and $100 billion dollars-worth of ships the Australian government needs to acquire over the next 30 years.

Without this kind of sensible and responsible decision-making we may well see Australian shipbuilding suffer irreparable harm, and that would be a social and economic tragedy.

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

Ms Rishworth: I second the motion.

Mr TEHAN (Wannon) (11:22): Sometimes, politics beggars belief. That we have the Labor Party putting forward a motion like this, here today, is beyond absurd. As a kid, we had those absurd jokes that went round the playground, like: 'Broken pencils are pointless.' This whole debate is pointless.

I see that the member for Fremantle has exited the chamber, after putting forward this motion. It is worth having a look at the member for Fremantle's commitment to shipbuilding in her electorate and nationally. I did a bit of a search of her website and found one reference to shipbuilding, which was a minor reference in a speech on manufacturing, yet here today she is leading this motion on behalf of the Labor Party. It must be humiliating to the shadow defence minister, the assistant minister and the parliamentary secretary that she has led the debate on this, because they have some pride in their own integrity. They could not, after what Labor did in six years in government, put forward such a motion.

It is worth looking at that Labor Party record, because it highlights the absurdity of what we have before us. We should take a moment to pause and reflect; we should ensure we never have an abysmal record like this again, on either side of government. Ultimately, while we can joke and laugh about it—and we should joke and laugh about this motion—the seriousness of the important topic of ensuring we can defend our nation should be something that both sides of government strive for at all times.

What happened under the previous Labor government? There were $16 billion cut from Defence. The share of GDP spent on Defence fell to 1.56 per cent, its lowest level since 1938.
Yet the member for Fremantle lectured us about making sure we have the proper structures in place—the ships and naval fleet—to defend this nation and what she referred to as its 'complex ecosystems'.

This government is already making sure we have the proper structures in place for the Navy fleet to be able to defend this nation. We will do it systematically and with proper planning so that shipbuilders in this nation know that the government is fully committed to the task at hand and that every commitment we put forward will have a dollar amount to it—so they will not just be hollow, false and insecure promises, such as those we saw from the Labor Party.

I am sure fellow speakers on my side will go through the list. We had former Prime Minister Rudd making promises, before the last election, with no money attached. We saw the previous Prime Minister to Mr Rudd, Prime Minister Gillard, doing exactly the same thing when she was Prime Minister—making promises with no dollars to back them up. This is an absurd motion. The member for Fremantle has pretty much taken our policy—that we took to the last election, criticising the former Labor government—and presented it here today. It is absurd.

Mr ZAPPIA (Makin) (11:27): I commend the member for Fremantle for bringing this motion to the House. This is indeed a very important matter. It has significant impact not only on thousands of jobs across Australia but also on national security, skills training, national manufacturing, shipbuilding capability, research and development, and the national economy.

Australia is considering its options for the supply of up to 80 ships and submarines over the decades ahead. That will require a huge investment, running into billions of dollars. I understand the investment in the construction and ongoing maintenance of those ships could be as high as $250 billion. Whilst the exact numbers and final designs may require further work, there is no question that the expenditure is considerable but, more importantly, it is an expenditure decision that needs to be made sooner rather than later. Even if we do not determine the final design of the boats, it is an expenditure decision that should be made: that all craft required will be built here in Australia.

Unlike so many other economic decisions and major investments this country is involved with, this is a matter for which the federal government has complete responsibility. It is therefore a no-brainer that the vessels should be built in Australia and that the billions of dollars should be spent in Australia, that the jobs required to build the vessels should go to Australians and that the building of the ships, in Australia, represents a massive opportunity to also build skills, intellectual knowledge, design expertise and national capability. If we do not currently have all of the expertise required to build the ships, it makes more sense to import the expertise than to import the ships themselves, as we did with the original Collins-class submarine project.

Any savings made by the government, if it chooses to buy from overseas, will be more than offset by losses of Australian jobs and, therefore, losses of Australian tax revenue; a worsening balance of payment figure to the tune of billions of dollars; a reliance on foreign countries for important national security military equipment; the loss of skills, expertise, research and development; and the loss of advanced manufacturing opportunities that the building of the ships presents.
Making a decision now that the vessels will be designed and built in Australia will also create long-term certainty, confidence and immediate investment by industries that are associated with shipbuilding. Very importantly, we will ensure that shipbuilding work that is coming to an end right now, with most of it due to finish in 2015—and, with that, the loss of thousands of jobs, including many skills and expertise which might otherwise be lost forever—will be retained. For South Australia it is particularly important. Not only will it ensure continuing work at the Australian Submarine Corporation, but also, with the impending closure of GMH and the thousands of jobs expected to be lost, shipbuilding provides the obvious alternative for those jobs and for the hundreds of small manufacturing businesses that will equally be affected.

Regrettably, in Tony Abbott's first budget, there was no certainty provided to Australia's Naval shipbuilding future, and it was just a case of more delay, more indecision and more procrastination. Equally disappointingly, I note that the member for Mayo—who is in the chamber right now—said, when speaking about the new South Australian defence minister, 'Martin Hamilton-Smith certainly won't get access that other states will'. This issue should be above politics, and, as a South Australian MP and a minister, the member for Mayo should put South Australia's interests ahead of his own personal politics. There are a lot of jobs at stake—some 2,000-odd in South Australia and another 2,000 around the country. It is an important decision. A decision made now will ensure that there is some security and certainty for those jobs for decades to come.

Mr EWEN JONES (Herbert) (11:32): Honestly, I thought this motion must have been brought forward as a chastisement for the last six years of Labor. I honestly thought that Ms Parke must be one of our class of 2013 that I had not yet met, yet it turns out that this motion was moved by the Labor member for Fremantle. Now, I like the member for Fremantle—and it is a pity she did not hang around to see the motion she cares so much about debated and hear everyone speak on it—but there is a lot more that can be said for her than many on her side. She has principles and is true to her beliefs, but, by jingo, she has stressed her credibility way beyond her means on this motion.

Where the hell were these people for the last six years? What were they saying for the last six years? I understand why they do not hang around. The member for Fremantle was one of those few MPs who did not get a run with a portfolio in defence—god knows how they loved it. Their minister, Stephen Smith, just loved the portfolio. When he was in Afghanistan, he could not even think of one single question for them. In discussions on the Navy, he would lean across to the member for Fadden and say: 'The Navy—those are the guys in white, aren't they? Is that them? Are we talking about the right people? Okay, I'm on it. They look pretty good.'

This motion is a joke and it should be seen as a joke. This motion was brought to the House by a party which made a 10 per cent cut to defence spending in one budget alone. That is the biggest cut to defence since the end of the Korean conflict, a time where defence spending reached 1.56 per cent of GDP. That is the lowest spending to GDP ratio since 1938. Please, have a little credibility—have some pride in yourselves before you come in here. This motion was brought to this chamber by a party which could not deliver, and did not deliver, a single vessel in their six years in government—not a single vessel. This motion was brought to this
chamber by a party which did not have a single plan for defence and certainly not for the Navy.

I must correct myself here. They did have a plan. Prime Minister Rudd, without any consultation with anyone—least of all the Navy—announced that he would shift the entire Garden Island facility to Brisbane. The largest dry dock in the Southern Hemisphere would all be shifted, and it would be done inside six months. It looked like the white Wiggle when he did it, and didn't that go well! Even the people in Brisbane were sitting there rolling their eyes and saying, ‘What?’ I do not know what was going through the air conditioning on the VIP that he was flying around on, but it was a bit funny.

So the largest dry dock in the Southern Hemisphere would be shut down and a new one built with a budget cut of over 10 per cent in one year, and suddenly he was spruiking spending billions on duplicating facilities—not building new facilities, but duplicating facilities. Of course, just like their Defence Capability Plan and their over-hyped Force 2030, there was never any plan to fund it or do anything other than ferry the then member for Lindsay out from Darwin to look for boats. Labor held Defence in contempt and now just gives lip service to their duplicity in this matter. During their time in government, 119 projects were delayed, 43 were reduced and eight were cancelled altogether. The Australian defence industry shed more than 10 per cent of its workforce because of budget cuts and deferrals. So do not come in here lecturing us on what to do for defence.

What will we do? We have brought forward $78.2 million in Commonwealth funding to assist with the preliminary engineering and design work on the future frigate program. We need to do this just to ensure we can keep this open as an option to build it in Australia. We have undertaken an open competition with Australian industry to construct more than 20 Pacific patrol boats. How many did Labor build during their six years in government? Just let me see. I will add them all up, carry the one, and that would be none—that would be duck egg. And yet they had the temerity to bring this motion into this chamber.

This important project will boost maritime security and fishing protection for us and for our Pacific partner nations in the south-west Pacific. When I was in Tonga it was the single most important thing the minister for defence and fisheries brought up with me. In short, for the Navy we will have a long-term strategic direction—one in which they will be able to have some input, which has been sadly lacking over the last six years. I thank the House.

Mr Watts (Gellibrand) (11:37): In recent weeks the Australian shipbuilding industry has been dealt a devastating blow. The recent announcement that the Abbott government will exclude local shipbuilders and manufacture supply ships offshore is a cruel move by a government blinkered by ideology and blind to its consequences for thousands of Australian shipbuilders. Nowhere is this clearer than in my electorate at the BAE shipyards in Williamstown. For nine months BAE Systems and its 1,000-plus employees had been waiting for action from the Abbott government. For nine months they had warned the government that the shipyards were in dire straits as work neared completion on the air warfare destroyers and the landing helicopter docks. With the completion of the AWDs and LHDs the shipyards face the infamous valley of death, where a lag in defence contracts will lead to a shortage of work, forcing the shipyards to close.

This predicament could have been easily fixed. The Australian Navy requires 48 new vessels to be procured in the next decade. Shipbuilding ought to be a growth industry in
Australia with a rosy future if only it can survive the current drought of work. Of particular importance in this respect is the pressing need for Australia to replace the supply ships HMAS *Sirius* and HMAS *Success*. It was these ships the previous Labor government announced they would replace at the last election. All the Abbott government had to do was continue with Labor’s plans, and the future of the Williamstown shipyards would be secured. Action could have started on saving these jobs nine months ago, but the Abbott government kept the shipbuilders of Williamstown waiting.

*Mr Nikolic interjecting—*

*Mr Watts:* They were kept waiting through March of this year, when defence minister David Johnston told ABC radio that whether Australia could afford to allow the shipbuilding industry to close was ‘a very good question’ and that ‘at some point I’d like to think that, you know, we’ll announce something.’ They were kept waiting past the 1 April deadline of BAE Systems, the point where BAE had explicitly warned the Abbott government they would need to start making hard decisions about the future of their staff.

*Mr Nikolic interjecting—*

*Mr Watts:* Finally, in June, the Abbott government declared their plans for the shipbuilding industry—and the news was not good. The Abbott government were not going to sign the contracts already prepared by the previous Labor government. But, to make matters worse, the process would be opened for re-tender, and Australian shipbuilders would be excluded from participating! This from a shadow defence minister who declared before the election:

> I get really fired up when I find us giving away our manufacturing base in the Defence space to foreign manufacturers, it’s just not on.

I hear the Napoleon of the coalition backbench has gone quiet.

Yet upon becoming the defence minister the same man awards government shipbuilding contracts to ‘foreign manufacturers’ at the first opportunity. When explaining his reasons for this betrayal of Australian industry, defence minister Johnston stated, ‘Australia is not in a position to manufacture those vessels’. Why is this the case? According to the defence minister, Australian manufacturing does not have the skills necessary to manufacture ships of this size. But we know on the advice received by Labor before the election that this simply is not true. A local build or, at minimum, a hybrid build could have easily been achieved. But the defence minister also found it necessary to blame the shipbuilders themselves for the decision to send the shipbuilding contracts offshore.

*Mr Nikolic interjecting—*

*Mr Watts:* Just as they did when 2,500 jobs were lost in Altona in my electorate when Toyota announced that it would cease manufacturing as a result of the Abbott government’s policy change since the federal election, the Abbott government has a habit of blaming the workers for its own inadequacies. The shipbuilders of Australia should not be blamed for the Abbott government’s blind obedience to the extremist ideology to offshore at any cost. If the Abbott government cared about the skills of our Defence Force, why did they scrap the Skilling Australia’s Defence Industry Program in the 2014 budget? Why did they axe $3.5 million of training opportunities for our defence workers—the very opportunities needed to make our defence workforce internationally competitive? This latest decision from defence
minister Johnston is just another example of the extreme and out of touch policies of the Abbott government.

Labor will not stand idly by while the Abbott government builds these ships away from our shores. We will not sit and watch while the capabilities of a strategically important defence manufacturing industry are left to wither through government neglect. We will not sit on our hands while the jobs of thousands of Australians across the country are shipped offshore. And we will not blame the workers for the inaction of our own government. Labor will continue to fight for the futures of our shipbuilders in Williamstown today, in the future and across the nation.

The DEPUTY SPEAKER (Mr Broadbent): It's been very good training for the member for Gellibrand to have such interjections continually raging, so congratulations! I call the honourable member for Brisbane.

Ms GAMBARO (Brisbane) (11:42): I too want to add to the comments that the member for Herbert made. I have high regard for the member for Fremantle, but I am absolutely perplexed that she would bring such a motion into the House today. I rise to speak to the motion pertaining to an issue on which the Labor Party made great announcements looming over the political landscape, and then what did they do? They sat on their hands and did absolutely nothing.

This is about boosting Australia's maritime capability and that is exactly what this government is doing. Labor has absolutely no credibility on this issue, and here they are lecturing this government about what to do. When you look at Labor's record in Defence over six years, it has been absolutely appalling in every single way. This motion refers to the need for a properly planned short-, medium- and long-term program for shipbuilding, and that is what we are doing. We are fixing up the mess that was left to us.

Under Labor there was no money, there was no plan, there was no direction given to the defence industry as a whole and particularly to the shipbuilding industry. Labor's Defence portfolio was a mess. Let me remind the honourable members opposite what they did. They took $16 billion from defence. Their share of GDP fell to its lowest since 1938: 1.56 per cent. In the 2012-13 year Labor made the largest single cut to the Defence budget since the end of the Korean conflict. They shed 10.5 per cent from the budget. The Australian defence industry shed more than 10 per cent of its workforce because of budget cuts and deferrals—119 projects were delayed, 43 projects were reduced and eight were cancelled altogether. This is what we inherited from those opposite. What an appalling mess they left us.

The Labor Party had six years to make this decision and they did absolutely nothing. The reality is now that we need to make decisions—decisions that Labor needed to make two years ago to avoid job losses in the shipbuilding industry. Labor was good at making promises but totally incapable of delivering them. The DCP was never been affordable. Labor's legacy is one of mismanagement. Labor left Defence $30 billion short of being able to achieve the objectives outlined in the former government's fanciful 2009 white paper.

This motion mentions the need for a ship to assist in Antarctic operations, but in early 2013 Labor actually chose companies to build the new icebreaker in Europe. They do not tell us that. They failed also to allocate any money towards it. We currently use the *Aurora Australis* built in 1989 by Carrington Slipways in Newcastle, a shipyard now owned by Forgacs, one of
the companies looking for new shipbuilding work. Its purpose is to undertake research cruises in the Antarctic and support Australian bases in Antarctica.

In early 2013 the then government put out a request for tender with no instruction that the new ship be built in Australia and no money for the project in the budget. Two companies were chosen and both indicated the ship would be built in Europe. The Abbott government then had to announce in the budget that the funding, which had not been set aside by Labor, was now provided for to allow this crucial investment to proceed. Labor has no credibility when it claims they would have built ships here.

The Abbott government takes defence and national security seriously. We have taken the first steps to ensure our navy is properly equipped and to provide the Australian shipbuilding industry with some much-needed long-term strategic guidance. Labor did nothing about replenishing ageing ships in urgent need of replacement. But we have taken decisive action. This is an absolutely vital capability for Navy to supports the operations of our naval fleet. Construction of these vessels is beyond the capacity of Australia to produce competitively at this time, as our options are either a 20,000- or a 26,000-tonne vessel and the current facilities are struggling to produce ships a third of that size. We need to urgently move on replacing these ships. This is the only option for a responsible government left with a legacy of budget cuts and policy inertia. We are getting on with the job of delivering a sustainable shipbuilding industry in defence.

Ms BRODTMANN (Canberra) (11:47): I rise to support the motion moved by the member for Fremantle. The motion outlines the incredible importance of the shipbuilding industry in Australia and the critical need for the Abbott government to provide some certainty to this industry. As the member for Fremantle has noted, shipbuilding delivers some of the highest value and most complex manufacturing outcomes produced in Australia. This is a highly skilled, expert workforce and the Abbott government should be taking proactive steps to maintain its capacity for its very significant national economic and security benefits.

The shipbuilding industry as a whole employed more than 8,000 in 2012-13, with revenue of $2.8 billion. It is an industry at the cutting edge of innovation and technology. Let me quote from the IBISWorld industry report of October 2013 to show where analysts saw the industry when the present government was elected:

Industry revenue is forecast to increase by a compound annual rate of 2.8% over the next five years, with revenue forecast at $3.2 billion in 2018-19. Ongoing projects have been delayed, including the construction of the Hobart Class AWD and Canberra Class LHD ships, allowing for a more prolonged revenue source for industry players. These delays, along with the Federal Government proposing to bring forward the replacement of two RAN supply ships, look set to help avoid a debilitating extended gap—

I repeat, 'a debilitating extended gap'—

in projects that has been projected for 2015-16. The estimated $36 billion Collins Class replacement submarine project is expected to begin construction in 2017-18, with a significant revenue stimulus projected upon commencement.

This was the expectation of the industry and those who analyse the industry and it clearly shows two things: the Labor government had a solid plan to bridge the 'valley of death', and the Abbott government has reneged on its commitments to the Australian people that there would be a sufficient flow of projects to ensure that the Australian shipbuilding work force
and industry would be able to maintain its accumulated skills. Let me repeat this crucial phrase from IBIS assessment:

… to help avoid a debilitating extended gap in projects.

The key word here is 'debilitating' because, rather than continue with Labor's commitment to bridge that valley of death, what the Abbott government has done since its election is to ensure that there is indeed a 'debilitating extended gap.'

In April of this year I was fortunate enough to visit Adelaide to meet with some representatives of the Australian defence industry and in particular to visit the ASC shipyards. I was impressed by how South Australia has developed a world-class maritime industrial precinct. The infrastructure and critical mass of warship design, systems integration and construction skills provide the perfect foundation for a long-term sustainable maritime sector. Successive Australian governments have invested billions to consolidate and maintain the nation's sovereign shipbuilding capability.

While in Adelaide I was concerned to learn that a number of key defence industry players are already planning to shed jobs as of this month. With no other opportunities in shipbuilding available, we know that workers will move to other industries and their capability will be lost from shipbuilding for good.

The collapse of Australia's shipyards would have very serious consequences for the nation's economy. At risk is a highly skilled and capable workforce and the nation's indigenous shipbuilding capability. We have paid a heavy premium to establish a world-class shipbuilding industry in Australia. Now our shipbuilding industry needs security and consistency. The Abbott government's failure to provide this certainty, its broken promises, deferral of decisions and mixed messaging has plunged the industry into doubt and uncertainty.

The Abbott government must now accept that it has failed in its responsibilities and take immediate action to provide certainty to the Australian shipbuilding industry and to thousands of Australian workers by settling a short-, medium- and long-term program of government shipbuilding projects to ensure a balanced workflow and smooth delivery of key naval assets.

It is fundamental for the industry, for Australian jobs, for our capability and for our capacity for the future that we have an indigenous shipbuilding skillset here in this nation. I commend the motion to the House.

Mr NIKOLIC (Bass) (11:52): There is little wonder that the member for Fremantle initiated this motion and then did a runner from the chamber, because it must be an extraordinary experience for her to have to put this motion up when set against the record of Labor's six years in charge of our defence and security. It is another example of Labor failing to match fine-sounding rhetoric with either strategy or resources when it comes to defence. And, as we know, strategy without resources is illusion.

The motion calls for a properly planned short-, medium- and long-term program for shipbuilding. Under Labor, there was a constantly changing plan, insufficient resources and a lack of direction to the defence industry—particularly our shipbuilding industry. Like so many other policy areas under Labor, there is a significant mess to fix up.

Consider submarines. We had the famous Rudd-pluck of 12 new submarines in the Defence white paper 2009. Even then, Labor sat on the plans for the rest of their time in
government and did nothing. There was not one key milestone achieved in five years—most notably first-pass approval. The life of the Collins class is being extended, but now there is the potential that these submarines will reach the end of their service life and the new submarines will not be ready. That means a capability gap—two words that no capable government wants to hear.

As Kevin Rudd's Pompeii burned in the dying days of the election, he announced Labor would build two new supply ships in Australia. Again, there was no money allocated or plan provided as to how this logistically could be done. In the meantime, Navy has another capability gap looming as the two current ships are simply not up to the task.

You may recall that the biggest defence thought bubble of Emperor Rudd—again with no policy details or resources—was to move the entire fleet from Garden Island to Brisbane. Let us look at what Labor achieved in relation to defence and shipbuilding.

Under Labor, Defence was an ATM with $16 billion cut from Defence. Former Labor Minister for Defence Stephen Smith was very happy to ring the till whenever Penny Wong or Wayne Swan came asking for money for the budget. Defence spending under Labor fell to the lowest level since 1938. In financial year 2012-13, Labor made the largest single cut to the Defence budget since the end of the Korean conflict—a massive 10.5 per cent cut. The member for Fremantle talks about a sensitive defence industry ecosystem. On Labor's watch, the Australian defence industry shed more than 10 per cent of its workforce because of budget cuts and deferral. So please do not come in here, member for Canberra, lecturing us about how we need certainty in the Defence budget. As a result of Labor's careless disregard of defence funding, 119 projects were delayed, 43 projects were reduced and eight were cancelled altogether. That is the situation that we inherited.

Defence requires a 10 to 20 year time frame for procuring strategic capabilities. A 10 year defence capability plan was never produced by the Labor Party. They never did it, because of sheer embarrassment, and they wanted to conceal the billions that were being ripped out of the Defence budget. Mr Shorten and Senator Conroy consistently avoid answering questions on why Labor in government failed to make progress on the submarine project or the capability gap regarding Navy's replenishment ships.

Bill Shorten claims that, if the Labor Party were in government now, those ships would be built in Australia. The Labor Party had six years to make this decision and did nothing. The reality is that Labor needed to make decisions two years ago to avoid job losses in the shipbuilding industry. Navy's current replenishment ship, HMAS Success, is now in urgent need of replacement. HMAS Sirius provides only limited replenishment capability.

As a result of Labor's management of the Defence portfolio, Defence is $30 billion short of being able to achieve the objectives outlined in the former government's fanciful 2009 white paper. We are fixing the mess. We are bringing forward work in the Future Frigates, making decisions on the follow-on for the Pacific Patrol Boat Program, announcing a replacement plan for Aurora Australis, putting the AWD project back on track and tackling the submarine mess in the white paper process. Spare us the lectures, member for Fremantle and those opposite, on what this government should be doing in this portfolio. As we have seen so often throughout our history, only the coalition takes defence and national security seriously. We have taken the first steps to ensure our Navy is properly equipped and to provide the Australian shipbuilding industry with some much-needed long-term strategic guidance.
Debate interrupted.

**BILLS**

- Public Governance, Performance and Accountability Amendment Bill 2014
- Tax and Superannuation Laws Amendment (2014 Measures No. 2) Bill 2014
- Tax and Superannuation Laws Amendment (2014 Measures No. 3) Bill 2014
- Tax Laws Amendment (Implementation of the FATCA Agreement) Bill 2014
- Excise Tariff Amendment (Product Stewardship for Oil) Bill 2014
- Customs Tariff Amendment (Product Stewardship for Oil) Bill 2014
- Railway Agreement (Western Australia) Amendment Bill 2014
- Student Identifiers Bill 2014
- Veterans' Affairs Legislation Amendment (Mental Health and Other Measures) Bill 2014
- Social Security Legislation Amendment (Green Army Programme) Bill 2014

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

**BUSINESS**

Rearrangement

**Mr BRIGGS** (Mayo—Assistant Minister for Infrastructure and Regional Development) (11:58): I move:

That business intervening before order of the day No. 1, Government business, be postponed until a later hour this day.

Question agreed to.

**BILLS**

**Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]**

First Reading

Bill—by leave—and explanatory memorandum presented by **Mr Hunt**.

Bill read a first time.

Second Reading

**Mr HUNT** (Flinders—Minister for the Environment) (11:59): I move:

That this bill be now read a second time.

The Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013 is one of two bills to repeal the equivalent carbon tax on synthetic greenhouse gases.

These bills are part of the broader legislative package to abolish the carbon tax. This bill amends the Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Act 1995 so that importers of synthetic greenhouse gases and products containing those gases will not incur a
liability to pay the equivalent carbon tax for synthetic greenhouse gas and equipment imported after 1 July 2014. This will reduce costs for businesses using these gases, including for refrigeration and air conditioning.

Debate adjourned.

Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2]

First Reading

Bill and explanatory memorandum, and explanatory memorandums to True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013 [No. 2], True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013 [No. 2], Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2], Excise Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2], and Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2], presented by Mr Abbott.

Bill read a first time.

Second Reading

Mr ABBOTT (Warringah—Prime Minister) (12:01): Today the government reintroduces the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013. As I said back in November of last year when I introduced this bill for the first time, the Australian people have already voted on this bill and now the parliament again gets its chance. The people have spoken, and now it is up to this parliament to show that it has listened.

The Australian people pronounced their judgement against the carbon tax. They want it gone and this bill delivers. It delivers on the coalition's commitment to the Australian people to scrap this toxic tax.

The budget that the government delivered recently was tough but it was visionary. It was about setting this country on the path to long-term structural change. But a cornerstone of this government's plan for a stronger economy, for lower taxes, for less regulation and for stronger businesses, is the repeal of the carbon tax.

The first impact of this bill will be on households whose overall costs will fall by about $550 a year on average. Because of this bill, household electricity bills will be around $200 lower next financial year without the carbon tax.

Household gas bills will be about $70 lower next financial year without the carbon tax. Prices for groceries, for household items for services will fall, because the price of power is embedded in every price in our economy.

This is a bill to reduce the bills of the Australian people. That is what it is. It is a bill to reduce the bills of the people of Australia.

When the price of power comes down, the Australian Competition and Consumer Commission will be ready to ensure that these price reductions are passed onto households and to businesses.

But—and this is important—family and pensioners will keep the tax cuts and the benefit increases already provided. The carbon tax will go but the carbon tax compensation will stay so that every Australian should be better off.
Repealing the carbon tax will reduce costs for all Australian businesses—for every single one of them.

The previous government said and argued that only big business paid the carbon tax, but this simply was not true. Every small business paid the carbon tax through higher electricity and gas bills and higher costs for suppliers.

As well the carbon tax acts as a reverse tariff. Not only does the carbon tax make it more difficult for Australian businesses to compete abroad; it makes it more difficult for domestic businesses to compete at home, because there is no carbon tax on imports.

Repealing the carbon tax removes over 1,000 pages of primary and subordinate legislation. Repealing the carbon tax cuts the size of the climate change bureaucracy. So repealing the carbon tax will reduce the cost of living, make jobs more secure and improve the competitive position of our country. That is what it does. Why would anyone be against that? Particularly, when it is what the Australian people voted for.

Repealing the carbon tax is what the employers and the jobs providers of our country want now. The Business Council of Australia, for instance, supports the wind-up of the current carbon pricing mechanism, because it places excessive costs on business and households and because our carbon charge is now one of the highest in the world—that is what the BCA says about the carbon tax.

The carbon tax has ripped through the economy hitting schools, hospitals, nursing homes, charities, churches, council swimming pools and community centres. It has hit each and every group, and each and every individual that uses power. That was always its goal to make electricity more expensive. That was the intention of the previous government to put power prices up, because that was their way of reducing emissions.

The intention of the new government, of this government, is to put power prices down by axing this toxic tax and by using other means to reduce emissions. By reducing the cost of electricity and gas we will help to make households better off, workers more secure and our economy stronger.

No-one should be in any doubt—the government is repealing the carbon tax in full. We are repealing the carbon tax in full. We are doing what we were elected to do. Others have said that they would terminate the carbon tax, but they were only renaming it. Well, we are not renaming it; we are abolishing the carbon tax in full.

Repealing the carbon tax at the end of the financial year provides certainty for business and it simplifies the transition. It means that the government will not be proceeding with the previous government's legislated carbon tax increase that would have taken effect from 1 July.

Unfortunately, the new government cannot undo the past. We can only make the future better, and that is precisely what we intend to do. Under this government the carbon tax will not apply from 1 July, so there will be no need for further compensation packages. We will end the merry-go-round of carbon tax industry assistance that takes from one pocket and puts less back in the other.

We will ensure that the benefits of repealing the carbon tax are passed on to consumers. The ACCC will have further powers to take action against any business that engages in price
exploitation in relation to the carbon tax repeal. There will be penalties of up to $1.1 million for corporations and $220,000 for individuals.

It is prudent to do what we reasonably can to reduce carbon emissions, but we do not believe in ostracising any particular fuel and we do not believe in harming economic growth. Climate change is a serious issue and we do have strong policies to come into place so that we do rest lightly on the planet. The government is repealing the carbon tax because there is a less complicated and less costly way to reduce greenhouse gas emissions, a way that will actually reduce emissions and will not damage the economy.

So we will scrap the carbon tax and then proceed with our direct action plan. The centrepiece of this direct action plan will be the Emissions Reduction Fund, a market-based mechanism for reducing carbon dioxide emissions, a fund that provides a powerful and direct additional incentive for businesses to reduce their greenhouse gas emissions.

The $2.55 billion fund will use positive incentives to reduce Australia's emissions and it will prioritise cost-effective targeted means to do so. It is an incentive based approach that will support Australian businesses and households to lower their energy costs at the same time as reducing Australia's emissions. It will see us plant more trees, get more carbon captured in soils, clean up power stations and use smarter technology. We believe that by the time the five per cent reduction kicks in in 2020 we will have an overall reduction in our emissions of some 22 per cent off 2000 levels of business as usual. This is serious action about a significant problem.

The carbon tax is a $9 billion hit on our economy this year alone. It is a $9 billion hit on jobs, a $9 billion burden on investment and a $9 billion burden on Australians that we just do not need. This bill gets rid of it. This bill is the government's bill to reduce the Australian people's bill, so I commend the bill to the House. I move:

That this bill be now read a second time.

Debate adjourned.

**Ozone Protection and Synthetic Greenhouse Gas ( Manufacture Levy) Amendment ( Carbon Tax Repeal) Bill 2013 [No. 2]**

First Reading

Bill presented by Mr Hunt.

Bill read a first time.

Second Reading

Mr HUNT (Flinders—Minister for the Environment) (12:12): I move:

That this bill be now read a second time.

The Ozone Protection and Synthetic Greenhouse Gas ( Manufacture Levy) Amendment ( Carbon Tax Repeal) Bill 2013 is one of two bills to repeal the equivalent carbon tax on synthetic greenhouse gases. These bills are part of the broader legislative package to abolish the carbon tax.

This bill amends the Ozone Protection and Synthetic Greenhouse Gas ( Manufacture Levy) Act 1995 so that manufacturers of synthetic greenhouse gases will not incur a liability to pay the equivalent carbon tax for synthetic greenhouse gas manufactured after 1 July 2014. This
will reduce costs for businesses using these greenhouse gases, including for refrigeration and air conditioning. I commend the bill to the House.

Debate adjourned.

True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013 [No. 2]

First Reading

Bill presented by Mr Hunt.

Bill read a first time.

Second Reading

Mr HUNT (Flinders—Minister for the Environment) (12:14): I move:

That this bill be now read a second time.

Together, this bill, the True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013, and the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 ensure that final assistance allocations under the Jobs and Competitiveness Program are accurate so that businesses are not over- or under-allocated assistance in 2013-14.

This bill imposes a levy which recovers the value of over allocated free carbon permits received under the Jobs and Competitiveness Program for the 2013-14 financial year.

For constitutional reasons, this bill imposes the levy to the extent that it is not a duty of customs or excise. I commend the bill to the House.

Debate adjourned.

True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013 [No. 2]

First Reading

Bill presented by Mr Hunt.

Bill read a first time.

Second Reading

Mr HUNT (Flinders—Minister for the Environment) (12:15): I move:

That this bill be now read a second time.

Together, this bill, the True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013, and the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 will ensure that final assistance allocations under the Jobs and Competitiveness Program are accurate so that businesses are not over- or under-allocated assistance in 2013-14.

For constitutional reasons, this bill imposes the levy to recover overallocations to the extent that it is a duty of excise. I commend the bill to the House.

Debate adjourned.

Ozone Protection and Synthetic Greenhouse Gas (Import Levy) (Transitional Provisions) Bill 2013 [No. 2]

First Reading

Bill and explanatory memorandum presented by Mr Hunt.

Bill read a first time.
Second Reading

Mr HUNT (Flinders—Minister for the Environment) (12:17): I move:

That this bill be now read a second time.

The Ozone Protection and Synthetic Greenhouse Gas (Import Levy) (Transitional Provisions) Bill 2013 provides for an exemption from the equivalent carbon price for the import of bulk synthetic greenhouse gases between 1 April and 30 June 2014 if certain conditions are met. I commend the bill to the House.

Debate adjourned.

Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]

First Reading

Bill presented by Mr Hunt.

Bill read a first time.

Second Reading

Mr HUNT (Flinders—Minister for the Environment) (12:18): I move:

That this bill be now read a second time.

The Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013 amends the Customs Tariff Act 1995 to remove the elements of this act that were legislated by the former government to apply the carbon tax through the fuel tax and excise system.

Importantly, this will reduce the increase in excise-equivalent customs duty on aviation gasoline and aviation jet fuel that represents an equivalent to the carbon tax applied to Australian imports.

Currently, Qantas imposes a carbon price surcharge of between $1.93 and $7.25 per passenger on all domestic flights, depending on the distance travelled. Virgin Australia imposes similar surcharges.

The repeal of the carbon tax will reduce one of the major components of airline costs and enable airlines to pass on a significant saving to travellers.

Debate adjourned.

Excise Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]

First Reading

Bill presented by Mr Hunt.

Bill read a first time.

Second Reading

Mr HUNT (Flinders—Minister for the Environment) (12:19): I move:

That this bill be now read a second time.

This bill, which amends the Excise Tariff Act 1921, reduces the increase in excise on aviation gasoline and aviation jet fuel that is applied when an equivalent carbon tax is applied to Australian manufactured fuels.

Around $200 million was raised in 2012-13 by applying the carbon charge to aviation fuel.
This bill will reduce one of the major components of airline costs, which can be passed on to travellers and consumers.

The bill also reduces the act's complexity by removing references and notes associated with the imposition of the carbon tax. I commend the bill to the House.

Debate adjourned.

**Clean Energy (Income Tax Rates and Other Amendments) Bill 2013 [No. 2]**

**First Reading**

Bill and explanatory memorandum presented by Mr Hunt.

Bill read a first time.

**Second Reading**

Mr HUNT (Flinders—Minister for the Environment) (12:20): I move:

That this bill be now read a second time.

The Clean Energy (Income Tax Rates and Other Amendments) Bill 2013 is part of a package of bills to remove the carbon tax.

This bill amends elements of the Clean Energy (Income Tax Rates Amendments) Act 2011 to repeal the second round of personal income tax cuts due to start on 1 July 2015.

The government understands households will continue to face cost-of-living pressures. That is why the government is keeping the current carbon tax related personal income tax thresholds and the fortnightly pension and benefit increases.

In its final budget handed down on 14 May 2013, the former government deferred a second round of personal income tax cuts and booked a $1.5 billion saving over the forward estimates.

But the former government never followed through by legislating this change.

This bill repeals legislated amendments to the Income Tax Rates Act 1986 so that the statutory personal income tax rates and thresholds do not change on 1 July 2015.

This bill also amends the Clean Energy (Tax Laws Amendments) Act 2011 to repeal related amendments to the low-income tax offset.

This bill also repeals legislated amendments to the Income Tax Assessment Act 1936 so that the related amendments to the low-income tax offset do not take effect on 1 July 2015.

Overall, the repeal of these amendments means that the tax-free threshold will remain at $18,200.

The second personal marginal tax rate will remain at 32.5 per cent. And the maximum value of the low-income tax offset will remain at $445.

This bill legislates the $1.5 billion saving that the former government announced during the 2013-14 budget but never legislated.

A first round of tax cuts to compensate for the introduction of the carbon tax has already been delivered. We will deliver further savings to Australian households of $550 next financial year on average with the removal of the carbon tax. In short this is our saving for the Australian people. I commend the bill to the House.

Debate adjourned.
Clean Energy Finance Corporation (Abolition) Bill 2014

First Reading

Bill and explanatory memorandum presented by Mr Hunt.

Bill read a first time.

Second Reading

Mr HUNT (Flinders—Minister for the Environment) (12:23): I move:

That this bill be now read a second time.

This bill abolishes the Clean Energy Finance Corporation by repealing the Clean Energy Finance Corporation Act 2012.

The Clean Energy Finance Corporation (Abolition) Bill 2014 differs from the previous bill in that it provides a transitional period of up to six months, rather than the previous 28 days from royal assent.

The government has made clear commitments to support clean energy projects through direct action, and specifically through the Emissions Reduction Fund. The renewable energy target also provides strong incentives for businesses to develop clean energy solutions.

The Emissions Reduction Fund and the renewable energy target are in addition to strong commercial incentives for businesses to undertake clean energy projects in order to reduce costs.

This repeal bill will transfer the CEFC’s existing assets and liabilities, including the CEFC’s investments, to the Commonwealth. These assets and liabilities will be managed by the Treasury.

Funding to manage the CEFC’s existing assets and liabilities and meet contractually committed payments on investments will be met from the CEFC’s existing funding, which will be transferred to a new CEFC transitional special account.

Future moneys that were due to be appropriated to the CEFC annually until 2017 will be returned to consolidated revenue.

The bill also provides for excess funding to be returned to consolidated revenue at any stage if it is no longer needed for managing the CEFC’s assets and liabilities. I commend the bill to the House.

Debate adjourned.

Climate Change Authority (Abolition) Bill 2013 [No. 2]

First Reading

Bill and explanatory memorandum presented by Mr Hunt.

Bill read a first time.

Second Reading

Mr HUNT (Flinders—Minister for the Environment) (12:26): I move:

That this bill be now read a second time.

The Australian people delivered a clear message on 7 September 2013 that they do not want a carbon tax.
The government is meeting this promise to the Australian people by repealing the carbon tax.

Repealing the carbon tax will boost Australia's economic growth, increase jobs and enhance Australia's international competitiveness by removing an unnecessary tax which hurts businesses and families and fails to do the fundamental job.

Repealing the carbon tax will reduce annual ongoing compliance costs for around 370 liable entities by almost $90 million per annum.

Repealing the carbon tax will lower retail electricity prices by around nine per cent and retail gas prices by around seven per cent, as opposed to what they would otherwise have been in 2014-15 with the carbon tax.

Repealing the carbon tax will remove over 1,000 pages of primary and subordinate legislation.

This bill is therefore part of a package of bills which contribute to the government's delivery of its commitment to repeal the carbon tax, reduce cost of living pressures and remove unnecessary bureaucracy.

This government is working to repair the budget, to lower taxes, to lessen regulation and build stronger businesses. We face an economic environment that demands greater rigour in the spending of public money.

The government has a longstanding commitment to abolish the Climate Change Authority, because it is not needed. I say this again with no disrespect to the highly professional members and staff of the Climate Change Authority. We will simply bring its relevant functions in house: into the Department of the Environment. Our pledge to abolish the Climate Change Authority will make a contribution to improving the budget.

The government is already well placed to receive authoritative advice on climate change matters from existing government bodies.

We have the Bureau of Meteorology to advise on climate trends and climate science. We have the CSIRO to advise on the environmental effects of climate change, climate science and the most appropriate and effective technological and scientific responses to climate change. We have an entire department of state—in the form of the Department of the Environment—dedicated to providing the government authoritative advice on environment and climate change policy and international trends and policies.

The government is clear—evidenced by our reintroduction of the carbon tax repeal bills today—that the carbon tax will be repealed and will be replaced with a more environmentally and economically responsible means of actually reducing our emissions.

We are abolishing the carbon tax to reduce cost pressures on households and businesses, boost economic growth, increase jobs and enhance Australia's international competitiveness.

The government is also abolishing the carbon tax because it does not work—it does not do the job for which it was purportedly created.

It does not work because, at its heart, the carbon tax is an electricity tax. It therefore relies upon the assumption that people will either change demand for or supply of electricity.

Yet the carbon tax has been a $15.4 billion burden on the Australian economy in its first two years. However, in its first year Australia's emissions fell by less than 0.1 per cent.
This scheme simply does not work to reduce our emissions. Instead it reduces economic activity, reduces jobs and brings pain to Australian households and small businesses.

Let us be clear. Climate change is a serious and fundamental issue. The government fully accepts the science of climate change. The government is committed, clearly and absolutely, to its unconditional emissions reduction target to reduce emissions by five per cent below 2000 levels by the year 2020.

This target is significant. It represents a major reduction below business-as-usual levels, as the Prime Minister set out. Over 30 years from 1990 to 2020, Australia and the United States are projected to achieve an almost identical net reduction.

The government has said it will consider further action and targets in 2015, as has been its policy, on the basis of comparable, real, demonstrated global action, in particular by major economies and trading partners.

The government believes there is a fundamentally better way to reduce emissions than through this carbon tax.

The government will reach its target through Direct Action with the Emissions Reduction Fund at its centrepiece. Our plan is to efficiently and effectively source low-cost emissions reduction and improve Australia's environment.

Through the Emissions Reduction Fund we will provide incentives for abatement activities across the Australian economy, rather than through pushing up prices in the hope of making electricity unaffordable.

Last week I introduced the Carbon Farming Initiative Amendment Bill 2014 into the House. This House and the Senate will soon have the opportunity to vote on this bill, to expand the Carbon Farming Initiative and make a real difference to the environment and boost businesses' productivity.

The Emissions Reduction Fund will support projects such as upgrading commercial buildings for energy efficiency, improving energy efficiency elsewhere of homes and industrial facilities, reducing electricity generation emissions, capturing landfill gas, reducing waste coalmine gas, reforesting and revegetating marginal lands, improving Australia's agricultural soils, upgrading vehicles and improving transport logistics and managing fires in savanna grasslands.

Countries around the world are implementing schemes which work best for them. In Australia we will introduce a scheme that works best for Australia—one which will reduce emissions, while not pushing up prices and not shutting down Australian businesses.

I will now turn in brief to the details of the bill. The bill repeals the Climate Change Authority Act 2011 in order to abolish the Climate Change Authority.

The bill makes consequential changes to other legislation to reflect the fact that the authority will no longer exist. To this end, references to the authority in other legislation will be removed, including references which allow for the sharing of information with the authority or concerning the authority's financial management.

The bill provides that the limited functions of the authority that are required in the future will continue. The bill amends relevant acts to provide that the legislated reviews of the
Carbon Farming Initiative, the National Greenhouse and Energy Reporting Scheme and the renewable energy target will be undertaken at the direction of the minister.

It is my intention that these reviews should be undertaken by the Department of the Environment, which has the requisite skills and expertise to do them. The review of the renewable energy target is currently being progressed, in cooperation between the Department of the Environment, the Department of the Prime Minister and Cabinet and the Department of Industry.

Lastly, the bill transfers any assets and liabilities of the authority to the Commonwealth and makes arrangements for the winding up of the authority's activities.

The abolition of the authority is expected to result in a saving of $21 million over the forward estimates, further improving the budget bottom line. For all of these reasons, I commend this bill and all related bills to the House.

Debate adjourned.

Minerals Resource Rent Tax Repeal and Other Measures Bill 2013 [No. 2]  
First Reading

Bill and explanatory memorandum presented by Mr Ciobo.

Bill read a first time.

Second Reading

Mr CIÑOBO (Moncrieff—Parliamentary Secretary to the Treasurer) (12:35): I move:

That this bill be now read a second time.

This bill repeals the Minerals Resource Rent Tax (MRRT), as well as discontinuing or re-phasing those measures that were introduced by the former government on the expectation that their cost would be met by mining tax revenues.

These related measures came at a very significant cost to the budget, and the failure of the MRRT to return any meaningful revenue meant the former government had to borrow money to pay for these unsustainable commitments.

By repealing or re-phasing the measures related to the mining tax, this bill seeks to make a start on repairing the damage caused to the nation's finances and put the budget on a more sustainable footing going forward.

Together, the measures contained in this bill will improve the budget position by over $12.6 billion by 30 June 2017.

Schedule 1—Repeal of the MRRT

Schedule 1 of the bill repeals the minerals resource rent tax with effect from 1 July 2014.

The repeal date for the MRRT of 1 July 2014 simplifies administration by aligning the repeal with the financial year reporting period. Taxpayers will not accrue any further MRRT liabilities from this date.

Australia's mining tax has had a long and tortured journey.

It was, of course, born out of the Henry tax review, which was commissioned by the first Rudd government.
One of the key recommendations was for a resource super profits tax (the RSPT). The original RSPT was forecast to raise $49.5 billion over a five-year period from 1 July 2012.

This was to be a big hit to one of Australia's most successful industries. At the time, the reaction from those in the resources sector could only have been expected.

Ultimately, the announcement, consultation and handling of the RSPT was a large contributing factor to the downfall of former Prime Minister Rudd.

In taking over the Prime Ministership, former Prime Minister Gillard made it a key benchmark of her leadership to resolve the impasse with the resource sector which had enveloped her predecessor.

The former Gillard government struck a deal with three of Australia's biggest miners, RIO, BHP Billiton and Xstrata, and from this the minerals resource rent tax was born. The new version of the mining tax also included an extension of petroleum resource rent tax to onshore projects.

Forecast revenue on the new version of the mining tax was significantly revised down when compared to the original resource super profits tax. It was forecast to raise $26.5 billion compared to $49.5 billion over the five-year period from 1 July 2012.

Following the second version of the mining tax, there were three further variations, and forecast mining tax revenue has been written down in nearly every subsequent budget and MYEFO update.

In February last year, the former Treasurer and current member for Lilley was forced to release just how much the mining tax had raised to that date—after being in place for six months it had raised just $126 million.

Since its inception from 1 July 2012, the mining tax has raised only $340 million in net terms.

The mining tax has many design flaws which will preclude it from raising meaningful revenue, particularly when government administrative costs are taken into account.

We persistently called on the former government to explain how key details of their mining tax worked, particularly in relation to the upfront tax deduction from the market valuation method which is used to calculate tax liabilities for the minerals resource rent tax.

The mining tax is a flawed tax. And what is worse, it imposes large administrative costs on operators in the resources sector trying to comply with the complex tax.

The repeal of the minerals resource rent tax will save millions of dollars in compliance expenses for small, medium and large entities.

So far, in the almost two years of its existence, less than 20 taxpayers have contributed to paying the net $340 million raised by the MRRT, but around 115 miners have been required to submit MRRT instalment notices while making no net payments.

That is around 115 taxpayers all complying with the MRRT legislation, but not actually paying any tax.

Therefore, not only is the MRRT a complex and unnecessary tax which has failed to raise the substantial revenue predicted by the former government, it imposes a significant
regulatory and compliance burden on the iron ore and coal mining industries, and has damaged business confidence which is critical to future investment and jobs.

The repeal of the MRRT will restore confidence and promote activity in the mining industry, creating jobs and contributing to the prosperity of all Australians. It sends a clear signal that Australia is determined to remain a premier destination for mining investment, and is once again open for business.

Mining companies in Australia will continue to pay their fair share of tax through state royalties and company tax.

The mining tax is also a fiscal disaster. The former government had linked over $16.5 billion of expenditure to this tax over the four-year period to 30 June 2017.

The repeal of the mining tax and associated measures will improve the budget's bottom line by over $12.6 billion by 30 June 2017.

The benefits to the budget would have been much larger if the bill had not been blocked by the opposition in March.

Australia can no longer continue to borrow money to pay for these measures.

We need to do what is responsible and repair the budget, and the removal of the mining tax and its associated expenditure is a step in the right direction.

Schedule 2—Loss carry back

Schedule 2 of the bill repeals the MRRT related loss carry-back provisions that enable companies making a tax loss of up to $1 million in the 2012-13 income year and subsequent years to recoup taxes paid on an equivalent amount of taxable income in a prior income year.

The bill provides that, from the 2013-14 income year, companies can only carry their tax losses forward to use as a deduction for a future year, consistent with arrangements prior to the MRRT-related amendments.

The removal of this measure will improve the budget position by $950 million by 30 June 2017.

Schedule 3—Small business instant asset write-off threshold

Schedule 3 of the bill amends the instant asset write-off threshold provisions.

The instant asset write-off amount was increased to $6,500 in two stages as part of both the mining and carbon tax packages.

The MRRT package dealt with the increase from $1,000 to $5,000, whilst the carbon tax package dealt with the increase from $5,000 to $6,500.

This legislation before the House returns the write-off amount back from $6,500 to $1,000, effective from 1 January 2014.

From that time, small business entities will be able to immediately deduct the value of a depreciable asset that costs less than $1,000 in the income year the asset is first used or installed ready for use. This is consistent with arrangements that existed prior to the MRRT related amendments.

However, the single small business pool arrangements will be preserved to maintain lower business compliance costs.
Under these arrangements, assets costing $1,000 or more will be allocated to the existing general small business pool and depreciated at a rate of 15 per cent in the first year and 30 per cent in subsequent years.

If the value of a small businesses’ general small business pool is less than $1,000 at the end of the income year, the small business can claim a deduction for the entire value of the pool.

The improvement in the budget position from reducing the instant asset write-off from $6,500 to $1,000 will be $2.6 billion by 30 June 2017.

Schedule 4—Deductions for motor vehicles

The bill also provides that from 1 January 2014, motor vehicle purchases made by small business entities will no longer be eligible for an accelerated depreciation of $5,000.

Motor vehicle purchases by small business entities using the simplified depreciation rules will instead be treated as normal business assets under the concessional capital arrangements available under subdivision 328-D of the Income Tax Assessment Act 1997.

Under these arrangements they will be depreciated at a rate of 15 per cent in the year in which the asset is first used or installed for use and then 30 per cent for all subsequent years.

The removal of this measure will improve the budget position by $450 million by 30 June 2017.

Schedule 5—Geothermal energy

The bill will repeal the extension of the income tax exploration provisions to geothermal energy exploration so that geothermal energy exploration and prospecting expenditure is not immediately deductible.

Amendments are included to provide a capital gains tax (CGT) roll-over in cases where a geothermal exploration right is merely exchanged for a geothermal extraction right relating to the same area. This ensures that a capital gains tax liability will not be inappropriately incurred, consistent with the treatment of other mining rights.

This measure was announced by the former Gillard government as part of the final design of the mining tax. It was raised in discussions between the former Gillard government and the Policy Transition Group, which was set up to advise on the technical design of the minerals resource rent tax.

The Policy Transition Group did not include this change as a specific recommendation but, rather, made an observation about the anomaly of the inconsistent treatment for geothermal exploration, noting that the issue was outside the parameters of the terms of reference.

The removal of this measure will improve the budget position by $10 million by 30 June 2017.

Schedule 6—Superannuation Guarantee Charge percentage

Schedule 6 of the bill delays further increases in the superannuation guarantee rate by two years. The super guarantee rate remains at 9.25 per cent until 30 June 2016 and then rises to 9.5 per cent on 1 July 2016. It then increases in increments of half a per cent a year until it reaches 12 per cent on 1 July 2021.

Further changes to the superannuation guarantee schedule, announced in the budget, will be introduced as an amendment to this bill.
These changes would not have been required if the bill had not been blocked by the opposition in March.

Schedule 7—Low Income Superannuation Contribution

Schedule 7 of the bill abolishes the Low Income Superannuation Contribution (LISC). The bill ensures that the LISC is not payable in respect of concessional contributions made on or after 1 July 2013.

The government will revisit concessional contribution caps and incentives for lower income earners once the budget is back in a strong surplus.

Low- to middle-income earners may be eligible for the superannuation co-contribution to boost their retirement savings.

The removal of the low income superannuation contribution will improve the budget position by $2.7 billion in cash terms by 30 June 2017.

Schedule 8—Repeal of income support bonus

The bill repeals the income support bonus. The bonus was funded from the anticipated revenue from the MRRT.

Participation in the workforce is the best way to ensure economic stability and the payment system is geared to promote this while ensuring that a safety net exists for those requiring help.

This bill will abolish all future payments of the income support bonus from royal assent of the legislation.

The removal of this measure will improve the budget position by over $900 million by 30 June 2017.

Schedule 9—Repeal of schoolkids bonus

The bill also repeals the schoolkids bonus. The government intends to offer a more efficient, targeted approach to improving education outcomes for students through effective education policies, rather than bonus payments to individuals.

The removal of this measure will improve the budget position by almost $4 billion by 30 June 2017.

Conclusion

The government has consulted with key industry stakeholders since the repeal of the MRRT was announced as a priority election commitment of the government, including a round of public consultation on the exposure draft legislation.

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

Debate adjourned.

Health Insurance Amendment (Extended Medicare Safety Net) Bill 2014

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Ms KING (Ballarat) (12:49): I rise to speak on the Health Insurance Amendment (Extended Medicare Safety Net) Bill 2014. I note that the government is intending to proceed
with the savings this bill will realise. In fact, before introducing changes to the Medicare safety net that the government announced in the budget, substantial changes were made to the Medicare safety net that will realise even further savings than the savings realised in this bill.

I acknowledge that the measures in this particular bill—this is not one of the budget bills—were initially announced in the budget Labor handed down in 2013. Obviously, that has been at the front of my mind when we were considering what the Labor opposition will do with these bills. It reflects that Labor was capable of finding—and did find—substantial savings within the Health portfolio to ensure the sustainability of Medicare, without ripping the system apart, as this government intends to do. We were able to find savings through means testing of private health insurance—something that I understand the now Abbott government intends to reverse—and through a range of other measures in health. This bill represents one of them.

I note that the measures contained in this bill were not taken in the context of ripping apart Medicare. They were not taken in the context of the introduction of a GP tax, making it harder for people to visit a doctor. That part of the system is, we know, the most efficient part of the system. The measures in this bill were not taken in the context of increasing the cost of medicines to many Australians. They were not taken in the context of ripping over $50 billion from the states for our public hospital system—$50 billion worth of cuts which will start on 1 July and will see bed closures, longer waiting times in emergency departments and longer waiting times for elective surgery. None of these was mooted by Labor, and none of these was under consideration when the measures in this bill were introduced.

Labor will, of course, support sensible measures that ensure the sustainability of Medicare, but that is certainly not what the Abbott government’s budget handed down on 13 May will do. In fact, the changes announced in the budget are the most significant attack on Medicare in 30 years. They are changes that the former vice president of the Australian Medical Association Professor Geoff Dobb described as setting health care in Australia back 50 years.

This bill increases the general threshold of the Extended Medicare Safety Net to $2,000 from 1 January 2015. The Extended Medicare Safety Net has been in place since 2004 and provides additional Medicare benefits to Australians who often, due to serious illness, have high out-of-pocket costs for out-of-hospital Medicare services. The Extended Medicare Safety Net was put in place by the former Howard government due to the inequality that was emerging in the health system, where particular groups of people had very high medical costs and were finding those out-of-pocket costs beyond their means.

At present there are two Extended Medicare Safety Net thresholds: a concessional threshold of $624.10 for Commonwealth concession-card holders and recipients of Family Tax Benefit A as well as the general threshold, which is presently at $1,248.70. Both these thresholds are indexed to the consumer price index. The Extended Medicare Safety Net benefits are paid in addition to the Medicare rebate and in addition to any benefits received as part of the original Medicare safety net. As part of these changes, a family or individual will need to incur an additional $751.30 in out-of-pocket expenses for out-of-hospital services, in one year, to qualify for the Extended Medicare Safety Net.

From 1 January 2015, this bill proposes to temporarily suspend the automatic indexation arrangements of the general threshold. This bill also proposes to remove the requirement for the chief executive officer of Medicare to require in writing that a family registered for the
Extended Medicare Safety Net confirm their family composition when they approach the Extended Medicare Safety Net threshold. This is needed because Medicare keeps track of individuals' Medicare expenses, for the purposes of calculating eligibility for the Extended Medicare Safety Net, but is unable to do so for families. The changes proposed in this bill instead allow the CEO to determine the most appropriate method of contact.

I note from the Department of Human Services' evidence before the Senate community affairs committee on this bill that there is no intent to reduce the information people get about where they are up to, in terms of the safety net entitlement or in ensuring they are aware that they are approaching the threshold. That is something Labor welcomes. Labor is, however, concerned about what is happening overall in this government's budget and what this government intends to do to Australia's healthcare system.

Increasing the cost of health care is consistent with this government's approach to the Health portfolio. To date, the government's approach to health has been to restrict access to services, increase costs and introduce changes that will result in a more inequitable health system. I note that the additional changes to the Medicare safety net announced in the budget will result in savings of over $267 million over four years. These are savings that will be realised by providing far less compensation to people when they reach the safety net. In the budget measures, the government has meant that people will hit the threshold a lot of earlier—but unfortunately they will not get as much money back once they do hit the threshold.

These are substantial changes proposed in the budget to the Medicare safety net. In ensuring that people do not become confused about what is happening with the safety nets—because they are inordinately complex and I acknowledge that has been the case for some time—it was my expectation that the government would not seek to progress this bill, that it would wait until it introduced its budget measures. However, the government has taken the decision to proceed with this bill, so we will have a period where the Extended Medicare Safety Net thresholds will have one measure in place and then, following the government's budget measures—if they pass through both houses of parliament—in 2016 there will be an entirely new system for the safety net. That is something the government has decided to do, and there will be substantial confusion for many people as those safety nets change. Obviously that is a matter for the government, given it has decided to proceed with this bill.

The intention of this bill when it was mooted under Labor's last budget was to better target the Extended Medicare Safety Net. It would have realised savings of around $105.6 million over four years, all of which were designed to be reinvested into Australia's health-care system. I note from the budget handed down on 13 May that the proposed government changes to the Medicare safety net will come into place from 1 January 2016. The budget changes will see the original Medicare safety net, the Extended Medicare Safety Net and the greatest permissible gap replaced with a new Medicare safety net from 2016. They will realise savings of $267 million—not savings, according to the government, that will be reinvested for accessing healthcare services. They are to be reinvested, I understand, in the Medical Research Future Fund. Those $267 million will be realised by reducing the amount the government covers once a family or individual reaches the safety net.

The budget change proposes to pay 80 per cent of any out-of-pocket costs capped at 150 per cent of the Medicare benefit schedule fee. The out-of-pocket costs that accumulate to
reaching the safety nets is also proposed to be capped at 150 per cent of the MBS fee. One of Labor’s principal concerns about the changes being proposed overall to health care, by this government, is the effect upon out-of-pocket costs. We have a Senate inquiry looking at out-of-pocket costs in health care and what is happening to people. Many are experiencing significant pressures on their family budgets because of out-of-pocket costs in health care. We know they have been increasing.

In 2011 and 2012, out-of-pocket spending on health and medical services by Australians was a $24.8 billion. This percentage is high by international standards, and the changes the government is proposing in its budget will significantly worsen that situation. In fact, the government’s measures are quite deliberately designed to transfer costs from the Commonwealth onto individuals through higher out-of-pocket expenses. The government makes no apology for that; they are quite deliberately increasing out-of-pocket costs. They call it transferring the responsibility and making people share the responsibility for health care, but I am not sure that people understood that is what they were getting when and if they voted for the Abbott government.

The Senate Community Affairs Legislation Committee certainly considered this bill, and it should be noted that the submissions were received before the government handed down its first budget. Submissions received argued that increasing the Extended Medicare Safety Net threshold to $2,000 will affect healthcare affordability for consumers, with adverse implications for individuals’ health and wellbeing. National Seniors Australia observed that it may be difficult for consumers to find this extra money each year if they are on a tight budget.

The Consumers Health Forum noted that Australians, on average, spend more than $1,000 a year in out-of-pocket costs. They warned that costs are already forcing consumers to make difficult decisions, including whether or not to seek medical attention, fill prescriptions and prioritise their own healthcare needs. National Seniors Australia provided similar evidence to the community affairs committee, noting that, for older Australians, out-of-pocket costs can escalate quickly for a variety of reasons. These included the gap between the Medicare rebate and fees charged by service providers, the lack of safety net coverage, the cap on specific items in the Medicare Benefits Schedule, the lack of private health insurance cover and gap payments and/or annual limits on services covered by private health insurance.

We know—for example, from the lack of modelling done on the impact of the proposed GP tax on Australians with chronic illness—that this government has not properly considered what effect its hurtful policies will have on the health care of Australians and on the financial viability of many families’ budgets. The changes proposed in the budget will be particularly harmful for Australians with a chronic illness, and it concerns me that, in considering this bill, none of the people who were able to put in submissions to the Senate Community Affairs Legislation Committee had any knowledge of all of the measures that the government intended to introduce that would be increasing out-of-pocket costs.

With respect to this bill, it was noted in submissions to the Senate Community Affairs Legislation Committee—with the Consumers Health Forum particularly noting—that:

There are a significant number of consumers experiencing chronic illness. Some of that is debilitating; some of it is manageable. They will obviously be the highest end users who are likely to reach the threshold quicker.

These concerns were, of course, shared by Diabetes Australia, who noted that:
For many, the safety net and its increased reimbursements is an important contribution to the significant expenses associated with managing their condition. Raising the safety net threshold and having people pay more may worsen access to the recommended cycle of care and the recommended [six] monthly monitoring.

The report from the Senate Community Affairs Legislation Committee noted submissions from the Consumers Health Forum and Diabetes Australia, where they said:

… there are consumers with chronic health conditions and high-level healthcare needs to whom the concessional EMSN threshold does not apply. Diabetes Australia expressed concern about these consumers' capacity to access affordable healthcare, to manage their illness and prevent the development of further complications. … A representative from CHF stated: 'there are high users of the system who are not necessarily concessional users of the system'.

What is important to keep in context is that this is one change that the government proposes to make as part of a suite of changes that will make health care much more expensive, less accessible and much less equitable in this country.

The key question about the decisions made in the recent budget, particularly when it comes to health care, is absolutely one of fairness. The Prime Minister claimed before the election—which we now know not to be true—that there would be no cuts to health. The budget handed down on 13 May well and truly blew that out of the water. There is no question that the budget attacks low- and middle-income earners; it attacks parents, it attacks workers, it attacks families and it attacks some of the most vulnerable in our communities.

The change proposed in this bill is from a government that is intent on ripping $80 billion out of health and education and $50 billion out of Australia's public hospital systems—again, cuts which start on 1 July. It will mean fewer beds, it will mean pressure on emergency departments and it will mean longer waiting times for elective surgery. In their budget, the health minister and Prime Minister have quite deliberately shifted the cost of health care onto the states and onto patients. It is important to see this bill now in that new context.

The government is proposing, through its budget measures, the lowest share of Commonwealth funding for hospitals since the Commonwealth started funding hospitals after World War II. After decades of Commonwealth-state squabbling over cost shifting, the health and hospitals reform that Labor was able to negotiate in government led to a new accord between the Commonwealth and states—one that saw the Commonwealth agree to fund 50 per cent of efficient growth in hospital funding. That was a commitment that was shared in their pre-election policy by the Prime Minister before the last election.

Instead, what we saw in this first budget is that the Prime Minister has washed his hands of responsibility for Australia's healthcare system and the wellbeing of Australians. Why is the government doing it? The government is doing it because it is determined to dismantle Medicare piece by piece and create a two-tiered health system here in this country—one in which the private sector plays a much stronger role and one in which we see a two-tiered system emerge where, if you have money, you have one set of access and one set of services available to you, and if you do not have money, you have a residual system. The Commission of Audit belled the cat on that one. As part of their recommendations, they very clearly said that one of the options the government should explore is having Medicare as a residual system—their words, not mine.
Not content with just ripping up the national partnership agreements on public hospitals, prevention, public dental and improving public hospitals—as well as abolishing Australia’s first National Preventive Health Agency and taking $3 million out of the National Tobacco Campaign—this government also wants Australians to pay more to visit their doctor and pay more for their medicines.

The changes in this bill, therefore, will be much harder to be absorbed because of the government’s decision and its intention to introduce a $7 tax every time Australians visit their doctor. As we are to understand it, the $7 GP tax will not go towards any safety net, so you will not be able to count that as an out-of-pocket cost that goes towards your safety net. The Prime Minister and the Minister for Health are shifting the cost of health care onto patients who in this country already pay very high out-of-pocket costs. The government wants to slug every Australian an extra $7 when they visit their doctor, and that is not just when you go for a routine check-up with your doctor or when you get a cold; the $7 applies to pathology. It applies to radiology, so when you go and get an X-ray you are also slugged the $7 GP tax. Right across the board Australians will be hit with this $7 tax. The health minister and the Prime Minister claim that this $7 GP tax is to ensure the sustainability of their healthcare system. In fact, I saw the Minister for Health out doing a press conference again, trying to argue that case. But, as the President of the AMA, Associate Professor Brian Owler, said on Jon Faine just last Friday:

At the end of the day the GPs are not the problem with the sustainability of the health care system, they are the solution.

He is absolutely right.

The government’s argument for the changes that it wants to bring in with the budget is based on a problem that does not exist and figures that are just plain wrong. We have a Treasurer who does not know the average number of times Australians see their doctor each year. He persistently gets that figure incorrect. The health policies of this government are ill-conceived and they will certainly hurt patients. General practice is the most efficient and cheapest part of the system; it is where people go to stay well, to get well when they are suffering for illnesses and for preventative health or to manage their chronic conditions. It is where we want them to go to manage those conditions.

So why would you want to put a barrier in place to prevent people from accessing the health care they need? The reason those opposite want to impose a tax on families, on pensioners and on patients every time they visit a GP is because they want to see the end of universal health care as we know it. They want to see an American-style two-tier health system in this country, where those who can afford health care get the service and those who cannot only get part of the service.

The coalition claims that the money from the tax will be used to fund the Medical Research Future Fund. While investment in medical research is critical, you do not do it off the back of sick people. You do not fund it by taxing families, pensioners and patients every time they visit their doctor. Last week at consideration in detail the Minister for Health could give no guarantee that the level of National Health and Medical Research Council grant or fellowship funding would continue at the same level and be guaranteed over time. So we know what the government’s real intention is for the Medical Research Future Fund. It is about over time replacing NHMRC funding.
This GP tax is a very poor health policy. It is a bad health policy. It is policy that hits middle- and low-income earners the most. It hits the most vulnerable Australians—those with chronic disease—absolutely the most. We know that the health minister and the government have done absolutely no modelling on the impact that this $7 GP tax will have on the chronically ill, on GPs themselves and on emergency departments—no modelling whatsoever on a tax that hits everyone. And around the country not one healthcare expert believes that this is a good idea. It is a pretty big feat, frankly, to do something that no health minister has ever done before: unite the entire health community against you and against your policy. It is a pretty big call for a health minister actually to have been able to do that. Around the country, as I said, there is not one healthcare expert who believes this is a good idea.

All the Prime Minister can say when questioned on his cuts to health and, in particular, cuts to hospital is: 'Where's the problem? I don't see a problem. What's the big deal here?' It just shows the contempt that this Prime Minister has for our health system and for patients and families across the country. This Prime Minister does not think it is a big deal that he is ripping $50 billion out of public hospitals. This Prime Minister does not see a problem with slugging Australians with a $7 GP tax every time they get sick and need to visit their doctor or access pathology or radiology. This Prime Minister does not see a problem with fewer hospital beds, increasing elective surgery waiting times or more pressure on emergency departments. He does not see a problem at all. And this Prime Minister does not see a problem with ending universal health care and Medicare as we know it.

On this side of the House we do see a problem. We see a very big problem, a problem that sees the ripping apart of Medicare at its seams. Its fundamental principle is universal access. It is a system that has served this country well for 30 years and should continue to serve this country well but for this government, which is absolutely determined to dismantle it.

The measures that are contained in this bill, of course, were thought of long before we had any of the government's proposed changes. They were, as I said at the outset, contained in Labor's last budget. They are measures that, in fact, Labor thought long and hard about but were measures we felt were necessary savings to improve the capacity of the health system to continue to provide health care. They were savings that we found without ripping apart Medicare, without imposing a GP tax every time you go to visit the doctor and without ripping $50 billion out of the states' agreements for public hospitals. All of those measures are things the Abbott government has decided are priorities in health care. I remain concerned that all of the policy decisions in health being made by this government are all about increasing costs to patients and removing responsibility from the Commonwealth for the provision of health care and that we are seeing increasing out-of-pocket costs in health beyond what was envisaged when Labor first announced details in this bill.

I remain concerned that the government has taken the decision to proceed with this bill despite the fact that it intends to introduce further changes to the safety net that will realise over $200 million in savings and that there will be a very confused system of safety nets in this country until those measures are debated and, if they are, passed. That being said, the opposition will not oppose this bill. I recognise that this was a bill originally introduced by Labor. But the government should not take that to mean that that will be the same for any other changes to the Medicare safety net, changes to the Medicare safety net which in fact rip
over $200 million out of out-of-pocket costs for consumers. I now move a second reading amendment:

That all words after "That" be omitted with a view to substituting the following words:

"whilst not declining to give the bill a second reading the House notes that the bill is one of many changes the government is proposing that will increase the cost of healthcare"

The government has taken the decision to proceed with this bill in the context of substantial changes to the healthcare system which will see massive increases in out-of-pocket costs for Australian consumers. It has taken the decision to proceed with this bill in the context of the GP tax, slugging every Australian $7 every time they go to visit the doctor—$7 for every child in every family when they go to visit a doctor; in the context of charging $7 every time someone needs to access radiology and pathology; cutting $50 billion out of public hospitals, those cuts to start on one July this year; and taking the decision that will see a substantial increase in the cost of medicines when people actually need to access those as well.

So I note that the government is proceeding with this bill in that context as well as taking the decision to proceed with this bill in the context of its own proposals to substantially change the Medicare safety net. I do happen to believe that there is a debate to be had around the better targeting of the Medicare safety net. I think there was a debate—and that is exactly what Labor was trying to do with these bills. There are many Australians, particularly Indigenous Australians, for example, who never reach the Extended Medicare Safety Net but who do have substantial problems with their health. I think there is a case to argue around the better targeting of these safety nets and sometimes some of the perverse outcomes that occur when you are actually talking about pricing within the system. I am not convinced that what the government is deciding to do in fact addresses any of that. Its budget measures are, in fact, really about substantial savings measures. It is claimed that they provide a better safety net, that people will hit the safety net earlier—but in fact they will get less money back, so I am not sure how that better targets the system.

As I said, the measures contained in these bills were originally proposed by Labor. We will not stand in the way of those. But I do remain very concerned about what is happening in out-of-pocket healthcare costs and I certainly remain concerned that the government has very, very little care for what in fact is happening for the health of Australians and has very, very little care about what it is actually doing in health policy. In fact, it is trying quite deliberately attempting to transfer costs on to patients, to dismantle Medicare and to introduce a two-tiered health system—one that Labor will not let the government do and one that certainly the Australian Labor Party will be standing against.

Debate adjourned.


Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr DREYFUS (Isaacs—Deputy Manager of Opposition Business) (13:14): The Regulatory Powers (Standard Provisions) Bill 2014 is, in effect, an initiative of the last Labor government. A bill in substantially identical terms was introduced into the parliament by the then Attorney-General, the Hon. Nicola Roxon MP, but it lapsed at the end of the 43rd
This bill is an important part of the former Labor government's legacy on regulatory reform. It stands in very sharp contrast to the empty rhetoric of the Abbott government's 'repeal day' that we saw back in March. That was the supposed bonfire of regulation, which, of course, fizzled. It was a media stunt that involved the repeal of several hundred inoperative provisions, a manoeuvre which did not in any real sense cut red tape or deliver savings to the community. This bill, by contrast—a Labor initiative—will simplify operative legislation. What the bill will do is reduce inconsistency and duplication across regulatory regimes. The bill will not only simplify and streamline the statute books but will make it easier for individuals to access and understand the law. It could reduce the size of a new Commonwealth act—setting up, for example, a new agency—by up to 80 pages. The bill is one of the initiatives of the Labor government's Clearer Laws project. The Clearer Laws project was designed to increase access to justice and improve the accessibility, equity, efficiency and effectiveness of the federal justice system by simplifying and streamlining the statute book.

The bill is based on existing provisions in Commonwealth laws, including the Crimes Act 1914. It is consistent with *A guide to framing Commonwealth offences, civil penalties and enforcement powers* approved by the Labor government's Minister for Home Affairs in September 2011. It is also the subject of a drafting direction, an instruction issued by First Parliamentary Counsel, which requires all drafters to comply with the direction. This too will ensure a consistent approach is taken to the bill's provisions.

The bill is a law of general application for the enforcement of regulatory regimes that other acts must refer to and trigger for the bill's provisions to apply. It is a regulatory device which we now see in the criminal code. It is possible to point to other parts of the Commonwealth statute book where this device is used—where, by setting up a set of standard provisions, it is possible for the drafter of legislation that comes after to, simply by reference, incorporate those standard provisions in the new law which is to be made.

As the Labor government had intended, the bill will be implemented in three careful stages. To activate the bill's provisions, new or existing Commonwealth laws must expressly apply the relevant provisions and specify other requisite information such as persons who are authorised to exercise the applicable powers.

The bill will provide greater clarity for agencies that utilise regulatory powers, and for Australians and Australian businesses that are the subject of a regulatory regime. Currently, agencies with a regulatory function may enforce a number of different regulatory regimes, each of which may have different governing legislation. Similarly, businesses may be subject to a number of different regulatory regimes that have slightly different enforcement and investigatory powers. It is to be hoped that, over time, many Commonwealth agencies will find themselves in a position to adopt this standard regime. Obviously, that will have the potential to both simplify and improve the comprehension of the powers exercised by Commonwealth agencies.

The powers that the bill provides will only be available to a regulatory agency if their governing legislation triggers or engages the bill. The powers contained in the bill can be triggered in whole or in part by a regulatory agency's governing legislation. For example, a
regulatory agency's governing legislation may be amended to trigger only the part of the bill that deals with enforceable undertakings.

Showing that this bill represents quite a long history of consideration by this parliament, the Senate Legal and Constitutional Affairs Legislation Committee has looked at this bill not once but twice. It looked at the Regulatory Powers (Standard Provisions) Bill 2012 and made a recommendation dealing with the point I have just mentioned. In the previous version of the bill, it had provided for the standard provisions to be triggered by a regulation. The Senate Legal and Constitutional Affairs Legislation Committee thought it appropriate that, rather than having the provisions triggered by regulation, the provisions would not be triggered other than by legislation in order to ensure that there was full parliamentary oversight of this. Their recommendation that the standard provisions only be triggered through primary legislation has been picked up in the bill which is now before the House. The Senate Legal and Constitutional Affairs Legislation Committee, having now looked at the Regulatory Powers (Standard Provisions) Bill 2014, observes that that has occurred and expresses satisfaction that the recommendation that they made on the 2012 bill has now been picked up.

It is obviously the case that some regulatory agencies' powers go beyond the scope of the standard suite of regulatory functions that are provided in this bill. One could point to agencies like the Australian Federal Police or the Australian Security Intelligence Organisation, which require specialised regulatory powers. They will continue to exercise powers under the specific laws that establish those organisations and confer powers on them. It is not envisaged that agencies like the Australian Federal Police or the Australian Security Intelligence Organisation would need to trigger any of the standard provisions that we see in this bill.

The small number of submissions that were made to the Legal and Constitutional Affairs Legislation Committee in relation to the current bill included a submission from the Fair Work Ombudsman and a submission from ASIC which were, in essence, making the point that I have just made—that not all of the powers in the standard set of provisions are going to be entirely appropriate for every single agency. It is for that reason that this structure provides for not all of the standard provisions to be adopted. You can have the situation that an agency might adopt none or some or all of the standard set of provisions that are included in this bill.

I can say that this bill is real regulatory reform; it is not the hollow stunt of the government's self-described 'bonfire of regulations' that we had back in March. It is a bonfire which fizzled. But I fear that the government remains caught up in their own rhetoric of red tape and deregulation. There is a need to cut through the government's empty rhetoric about supposed red tape and deregulation to examine in every case what is actually proposed. I fear, at this stage, that the government is still, for example, proceeding with its proposed repeal of the Independent National Security Legislation Monitor—something that the government announced on its repeal day. That office, the Independent National Security Legislation Monitor, is responsible for reviewing quite onerous legislation in the national security area to ensure that the restrictions that are imposed by that legislation are still necessary. In a very real sense, the Independent National Security Legislation Monitor is responsible for an ongoing kind of regulatory reform. It is a body that is directed at removing unnecessary laws and regulation. I can say that the Independent National Security Legislation Monitor, in his
final report tabled last week, cuts through the government's rhetoric about red tape and deregulation. In a few—

The DEPUTY SPEAKER (Hon. BC Scott): Order! The debate is interrupted in accordance with standing order 43. The debate may be resumed at a later hour and the honourable member will have leave to continue his remarks when the debate is resumed.

STATMENTS BY MEMBERS

Melbourne International Horse Trials

Ms RYAN (Lalor—Opposition Whip) (13:30): One of the great attributes we have in my electorate of Lalor is Werribee Park and its surrounds, home to the Werribee Open Range Zoo and the National Equestrian Centre. Recently, I had the pleasure of attending the Melbourne International Horse Trials held at the centre.

I was thrilled to present the winning trophy to Shane Rose, winner of the three-star event on his beautiful horse Shanghai Joe. Sonja Johnson came in closely behind on Belfast Mojito. The riders and their horses displayed incredible skill, strength and precision to complete the strenuous courses and jumps events.

It was great to see many local families enjoying the three-day event which held various competitions in cross-country, dressage and showjumping. The program was a fantastic opportunity for Lalor residents to see our country's Olympians perform.

The event attracts riders from across the world and some of Australia's most successful equestrian talents were competing, including members of the Beijing Olympics silver medallist team and medallists from the World Equestrian Games.

Previously known as the Melbourne International Three-Day Event, the Melbourne International Horse Trials is the oldest event of its kind in the Southern Hemisphere.

I thank my hosts, Doug and Michael, for their generous hospitality. Doug and Michael hope to make this an annual event at the fantastic equestrian facilities at our own Werribee Park, and I look forward to enjoying many more events in future.

Mallee Electorate: One Night Stand

Domestic Violence

Mr BROAD (Mallee) (13:31): A few weeks ago Mildura held the One Night Stand and it was a great event. We had great acts like Illy, RUFUS and many others—music that I am sure you are accustomed to.

That evening I spent some time with the Victoria Police, and we discussed the very important issue of domestic violence in my electorate. To their credit, the police, instead of a three-strike policy, have a two-strike policy. They come down like a ton of bricks on an offender who commits domestic violence on a second occasion, and this is having a great result in reducing our domestic violence.

They mentioned the need for an Australia-wide intervention order because, if the police impose an order in Mildura, offenders can simply cross over the river where that order is not binding.
Today I wrote a letter to Michael Keenan, the justice minister, outlining the need to work towards—and there is a lot of work to do in this area—an Australia-wide intervention order because we believe, as a country on both sides of this House, that domestic violence will not be tolerated.

We also believe that, when the police put an intervention order in place, it should be binding right across the country because we think that we should protect our victims of domestic violence. We stand by them and we look forward to the work that Michael Keenan will do to limit this terrible blight on our society.

**Gellibrand Electorate: Care to Share Project**

Mr WATTS (Gellibrand) (13:33): I wish to associate myself with the comments from the member for Mallee. Last weekend I took part in Cooking Connections, an Afghan and Iranian cooking class, held as part of the Care to Share project in my electorate.

The Care to Share project was borne out of discussions by the Inner West Buy Swap Sell Facebook group about how community members could connect and welcome asylum seekers living in Melbourne's west. Led by Bree Anastasi, Danielle Entwistle and Kerry Sanders, the group aims to forge personal connections between asylum seekers and the local community through shared culinary and cultural experiences.

The Care to Share program began with The Welcome Table in which families invited local asylum seekers into their homes to share a meal cooked by their hosts. These intimate dinners were documented by local photographers whose moving record of the meals is now on display at the Footscray Community Arts Centre.

The second part of the project involved Cooking Connections, classes hosted by members of the local asylum seeker community to enable members of the broader community to learn how to cook traditional dishes from the asylum seekers' cultural heritage.

I would like to thank everyone involved in his project, including Mahin Irani, Ingrid Fitzgerald, Nikii McCoppin, Carolina Faria, Sophie Dutertre, Joanna Attard, Wendy Stiles, Joel Clarke, Clare Martin-Lapworth, Rachael Smart and David Patston; and the warm and generous hosts of the cooking classes that I attended last weekend and whom it is not prudent for me to name at this time.

The Care to Share program is a great example of an internet enabled community organisation finding ways to strengthen our broader community through shared experiences. *(Time expired)*

**Ryan Electorate: Michelton Youth Club**

Mrs PRENTICE (Ryan) (13:34): I rise today to comment on the outstanding work of one of the many clubs in my electorate of Ryan. Mitchelton Youth Club is a not-for-profit community organisation that has been a proud member and servant of our community for over 50 years.

Recently members of the club attended the national gymnastics championships held in Melbourne. A number of competitors were successful in obtaining medals in their events: Lucas, who won the high bar and finished in the top five overall in the level 8 men's open gymnastics; Sophie B and Courtney, who won the under-17 synchronised trampoline; Mattea, Taylah and Sophie P, who placed second in the International 12-18 women's trio acrobatics;
Sophie B, who placed second in the under-17 trampoline; Lily-Boo and Caitlin for their second place in the level 8 women's pairs acrobatics; Hannah and Chloe, who placed second in the under-15 synchronised trampolining; and Hannah and Riley for their third place in the level 8 mixed pairs.

Of course we all acknowledge that competing in itself is success alone, given the dedication required. I therefore am proud to congratulate all competitors from the Mitchelton Youth Club from within my electorate of Ryan for their performances at the national gymnastics championships and I look forward to reading about future successes.

Newcastle Electorate: Medal of the Order of Australia Recipients

Ms CLAYDON (Newcastle) (13:36): I rise to recognise the achievements of four Novocastrians who have been awarded an Order of Australia medal in this year's Queen's Birthday Honours list.

Susan Walton was recognised for her service to community health and to people with a disability. She has dedicated 34 years of her life to being a practising optometrist and, since 1995, has volunteered her time with the Special Olympics movement. I have witnessed firsthand Susan's work on the Opening Eyes Program that delivers free screening to detect vision impairments and other eye conditions, with free glasses provided to athletes, if required.

Eighty-seven year old Arthur Soper received his medal for service to cricket and the community. Arthur has been a member of the Newcastle City and Suburban Cricket Association since 1961 and was president for 31 years of those years.

James Mackay was recognised for his service to the Newcastle region, chiefly for his work coordinating commemorative services that support the region's military history. As a former Newcastle city councillor, I know how hard James has worked to deliver for our community. The combined schools Anzac service has always been a particular highlight.

Alan Arnold has been serving our local community for more than 30 years as a solicitor and a member of numerous volunteer groups and boards. He is a former chairperson of the Hunter Community Legal Centre and has been a pro bono solicitor to the Mums Cottage refuge and Carrie's Place women's refuge.

All recipients have been significant contributors to Newcastle and the broader community. I thank them for their service and congratulate them on receiving this great Australian honour.

Bass Electorate: Queen Victoria Museum and Art Gallery

Mr NIKOLIC (Bass) (13:37): In August this year the Queen Victoria Museum and Art Gallery in Launceston, affectionately known as QVMAG, will open a major exhibition entitled *The Great War 1914-1918 Sacrifice and Shadows*. The exhibition will run for three years, taking in the Centenary of Anzac Day. It will provide visitors with an appreciation of the impact the Great War had on people and society. Very few regional towns and cities in Tasmania, in Australia, were untouched by events in the Dardanelles and the battlefields of Europe during this period.

Richard Mulvaney, the Director of QVMAG, and his staff are planning an exhibition of truly national significance. I was pleased to assist the museum in gaining a grant of $30,500
under the government's Anzac Centenary Local Grants Program to help with the cost of staging this important event.

By focusing on local experiences the exhibition will play a pivotal role in enriching our community's reflection on the Great War. I look forward to viewing some of the iconic objects on display from this important period of Australia's history. These objects will tell fascinating stories about the effects of the Great War on our community and the often misunderstood world of our troops, who faced myriad dangers and challenges with stoicism and an often laconic sense of humour.

A key element will be the memorial wall, which will occupy one end of the gallery space. People will be given the opportunity to purchase a poppy to pin up in memory of a soldier. Money from poppy sales will go to the Red Cross. I have no doubt that this exhibition will become a focus in northern Tasmania for the commemoration of the Anzac Centenary and the Great War. (Time expired)

Geoscience Australia

Ms BRODTMANN (Canberra) (13:39): Today I attended the 2014 Geoscience Australia parliamentary luncheon, which again underscored the fact that this agency is a national treasure and, if you were a geologist, working there would be nirvana. Geoscience Australia provides innovative and cutting-edge research into areas of vital importance to Australia's economy and prosperity, including identifying mineral and oil opportunities that will support Australia's future prosperity, carbon capture and storage and geothermal energy, mitigating the impact of natural disasters and supporting governments to respond more effectively when disasters do occur, supporting Australia's claims to territories and resources, and supporting management of seafloor and coastal biodiversity.

I am incredibly proud that Geoscience Australia is located right here in my electorate of Canberra at Symonston and that many of its dedicated and hardworking employees are my constituents. Today's lunch was a timely reminder of the critical importance of government investment in, and support of, science—something the Abbott government just does not get. The Abbott government has no science policy, no innovation policy and no science minister. Its budget of broken promises cut nearly 1,000 jobs in science and research, including 500 jobs at CSIRO, 64 jobs at ANSTO, 58 jobs at the Bureau of Meteorology, 150 jobs at DSTO and 96 jobs at Geoscience Australia. The budget also included massive cuts to the Australian Research Council and that will make this dire situation worse. (Time expired)

Bennelong Electorate

Mr ALEXANDER (Bennelong) (13:40): I wish to update the House on a variety of goings-on in my electorate of Bennelong. Over recent weeks I have held mobile offices at Epping and West Ryde train stations. I have been chatting with commuters and giving constituents the opportunity to raise issues with me directly.

Over the weekend I opened St Kevin's primary school fete. The sun was shining and the fete was crowded for this wonderful community event. I could not resist the home-made sweet stall and stocked up on some goodies to take home to my family. But alas they remained with me!

Next month Putney shops is the Bennelong Village Businesses village of the month. Shopping locally offers great benefits to the local community and the economy. This is an
ongoing project. We have secured discounted advertising rates for small local businesses through our local newspaper, *The Weekly Times*.

Last week I visited Royal Rehab to work towards the launch of the first of several sustainable market gardens as part of the Bennelong gardens project. Royal Rehab patients will have the opportunity to work in the gardens, along with clients of disability group Achieve Australia and other locals who are keen to get involved. These are just a few of the exciting developments in the suburbs of Bennelong.

**Budget**

Mr *FITZGIBBON* (Hunter) (13:42): I have said in this place on many occasions now that the most recent budget was a terrible one for rural and regional Australia, and I think that is now a point without challenge. I was astounded to have confirmed on the weekend that the Hunter GP after-hours service will close—not 'may close' but 'will close'—next year if the government does not change its funding position. There is a fair bit of competition but, if this does not change, this will go down as the greatest betrayal of the Hunter region of all.

This excellent service has been operating for 10 years. It is saving money for the government. It should be the GP model for every region in Australia. Indeed, its call centre ensures that around 25 per cent who call with a problem do not go on to have primary care contact or hospitalisation. Maitland and other towns in the Hunter region will be in a devastating position in terms of doctor services, particularly after-hours services, if this decision goes ahead. I genuinely appeal to the government to reconsider its position and to save the GP after-hours service, restore the funding and give the residents the medical services they deserve.

**Bothwell Ambulance Service**

Mr *HUTCHINSON* (Lyons) (13:43): Bothwell is a small town in Tasmania's Central highlands in regional Tasmania. Like in many similar country towns the ambulance service is operated by local volunteers. The ambulance unit is a vital local service that takes care of not only those people living in the town but the country residents in the surrounding region as well as visitors.

Currently the Bothwell crew has five members. They are Christine Rogers, Heather Alcock, Tanya Lovell, Tony Johnston and Wayne Doran. Christine has always lived at Bothwell. She is married to Allan and they have two sons. Christine worked at the town supermarket for 44 years, was a volunteer at the local golf club and is an ambulance officer. She is well known to the local community.

Heather and her husband, Keith, retired to Bothwell about three years ago. Heather was a nurse and a midwife for more than 45 years. Her skills have been highly valued since she became a volunteer ambulance officer. Tanya and Wayne are the only two of the current crew from the original Bothwell ambulance brigade when it was established in 1993. Tony is a retired farmer and shearer who joined the ambulance unit 10 years ago. He has served the Bothwell community in a variety of capacities over the years. All of these people have been volunteers in many areas of their local community. It is appropriate to recognise their selfless commitment and dedication. I wish them all well in their recruitment process and thank them for the service they provide to the community of the Central Highlands of Tasmania.
Hotham Electorate: Holmesglen TAFE

Ms O'NEIL (Hotham) (13:45): On the western boundary of my electorate sits the Moorabbin campus of Holmesglen TAFE. This campus provides vocational training each year to more than 10,000 people who live in and around my electorate. They provide certificate programs in areas like aged care, allied health and youth work, and they also offer a Bachelor of Nursing program. This Bachelor of Nursing program was something that Holmesglen TAFE fought really hard for. Those of you who know the sector will know that it is quite remarkable for an institution like TAFE to be offering a Bachelor of Nursing, and it was made possible by a policy change by the last Labor government.

Holmesglen, like many TAFEs around Victoria, is under attack from a state Liberal government. The Napthine government has hacked $300 million out of TAFEs around Victoria. The impact in Holmesglen has been that over 100 jobs have been cut; and fees have doubled or, in some instances, have tripled. Young people just cannot afford to pay more for education. Trades training is under attack federally too, with $2 billion cut from trade training centres all over the country and over $1 billion cut from apprenticeship programs. It is all very well for the Abbott government to talk about young people earning or learning; but it is pretty cheap, it is pretty political and, frankly, it is rotten to the core to ask young people to do this while taking away the supports they will need to get into training and to get into jobs. TAFEs provide an incredibly valuable function to our electorate out in Hotham and I fully support their work.

Barton Electorate: Ambulance Services

Mr VARVARIS (Barton) (13:46): I rise to commend the recent announcement by the New South Wales government that my electorate of Barton will benefit from the $150 million plan to build ambulance station hubs across Sydney, with a new superstation to be built in Kogarah. The New South Wales budget has demonstrated how a coalition government's commitment to building vital infrastructure will have a positive contribution towards not only the economy but also the quality of life of residents in electorates such as Barton.

For years community groups and individual constituents have been raising concerns about the ability of the ambulance service to meet the demand of the city's growing and ageing population. Over the past decade, ambulance crews, on average, are taking 10 minutes longer to get patients to hospital, with only 65 per cent of ambulance crews handing over patients within 30 minutes of arriving—well below NSW Health's target of 90 per cent. Having a superstation in the heart of the electorate will make a real difference to the way that first responders can react to emergency call-outs and ensure that on-call teams can be dispatched to emergencies quickly, reducing delays in treating the injured and the elderly.

A major new ambulance station has not been built in 16 years in Sydney, and this announcement reflects a shared commitment by coalition governments at state and federal level to optimising infrastructure and utilising resources in an efficient way to improve service delivery for residents in electorates such as Barton.

I commend the minister and the state government for considering the needs of the residents of my electorate by ensuring that they receive state-of-the-art emergency ambulance services, and I welcome this positive contribution to Barton residents' quality of life. (Time expired)
**Bendigo Electorate**

**Ms CHESTERS** (Bendigo) (13:48): Bendigo residents are standing up in the face of an anti-Islamic protest that has been going on in Bendigo. For the last few weeks black balloons have been tied out the front of council officers and local MPs offices, including my own. They have also been tied out of the front of local businesses that are owned by people from a non-English-speaking background. But the community is fighting back to say that they will not stand for intolerance and racism. Last Friday and Saturday, a sea of brightly coloured balloons filled the mall, replacing the black balloons. About 100 community leaders stood together to say that we are not a racist town and that we support each other. The bright balloons were handed out. They had slogans such as: ‘Racism is not welcome in Bendigo. We are proud and we are welcoming.’ Locals were encouraged to hang the balloons on their letterboxes, homes and businesses to display that all are one people. It was wonderful to return home and to see in my own street at least five homes hanging these balloons.

The Bendigo that I know is proud of its multicultural history, which goes back to the days of the gold rush. The Bendigo Chinese Association has spoken out. The Bendigo Islamic Association has spoken out. The Bendigo Muslim Association has spoken out. And we speak with them. We are one people. We will not stand for this intolerance. We will stand together. We respect one another and our cultures and how we are enriching our community. *(Time expired)*

**Gilmore Electorate**

**Mrs SUDMALIS** (Gilmore) (13:49): The last three days have been a time of celebrating Gilmore’s achievements. On Friday our local multicultural group, under the leadership of Jan Frikken, demonstrated cultural dance and multilanguage conversation; and we welcomed to the Shoalhaven, Latifa, a school principal for more than 2,000 students, and Hamisa, a school inspector from the Malaysian Home Economics Association.

That same day saw the open day of the Berry Masonic Village. The efforts of staff and volunteers were wonderful, and their care is totally evident.

Later, young students who had formed a group called Making a Difference presented their community survey results for priority needs, from more than 400 interviewees both young and old.

On Saturday, the Stars of the Shoalhaven Eisteddfod showcased the local talents of both the young and the mature. Under the guidance of George Windsor, the event celebrated its 30th year with dance, music and performance. Apart from outstanding musical items, there was a new take on both Cinderella and A Midsummer Night’s Dream.

That night, at the Regional Master Builders Association dinner, many local builders received recognition for their outstanding constructions. Well done, Lynn Smith, for organising this event for the seventh time, but the first time in the new Ulladulla Civic Centre.

On Sunday, Terry and Jeanette Snow at Willinga Park, Bawley Point, outlined their vision for the Australian Stock Horse Stud, the South East region botanic reserve and the native regeneration areas. Their energy and passion is exceptional.

The final showcase from Gilmore was the work of Dr Pia Winberg, at the opening of the fifth conference for the International Society of Applied Psychology. The associated recipe
book *Coastal Chef*, which had a recipe using seaweed, was well received. Gilmore shines from the stage to the sea. We are simply the best. *(Time expired)*

**Blair Electorate: Ipswich Region Trade Training Centre**

Mr NEUMANN (Blair) (13:51): Recently I was delighted to visit Ipswich State High School for the opening of the Ipswich Region Trade Training Centre. I have visited the school on numerous occasions during the trade training centre’s construction. It is an exciting development for students, teachers and industry in the Blair electorate. This $5 million trade training centre will provide world-class training facilities for students from five high schools in Blair: Rosewood State High School, Lowood State High School, Bremer State High School, Bundamba State Secondary College and Ipswich State High School. Up to 5,000 students in the Ipswich and Somerset regions will access these facilities each year. Students will be offered courses in mechanical, fabrication, general construction, carpentry, shop fitting and CAD. The centre at Ipswich State High School is part of the former federal Labor government’s $2.5 billion investment in industry-standard trade training and infrastructure. I congratulate the organisations who partnered with Ipswich State High School, such as HIA and Apprenticeships Queensland. This investment will help students stay in school and get qualifications as well as addressing skills shortages in traditional trades and other occupations in the Ipswich and West Moreton region. Sadly, the coalition has axed the funding for these trade training centres. This is a $950 million investment which we believe is important to help students get the qualifications and certificates they need. Tragically the Abbott government has seen fit— *(Time expired)*

**Dobell Electorate: TreeTop Adventure Park**

Mrs McNAMARA (Dobell) (13:52): It is not every day that you get to stand within the branches of three spotted gums to open a new tourist attraction. I recently had the pleasure of attending the opening of the brand-new TreeHut at the TreeTop Adventure Park at Wyong Creek. Located in the Ourimbah State Forest, the TreeHut showcases a distinctive design, consisting of a suspended platform with a protective shelter. The TreeHut is an exciting new tourism opportunity, defined by its sustainable and groundbreaking design, which will attract tourists from overseas, interstate and locally. It is fantastic to see innovative new tourist attractions being developed on the Central Coast. Destinations such as the TreeHut and the TreeTop Adventure Park are strong drawcards for our local area that will increase tourism and increase local job opportunities. With 20 flying foxes, the TreeTop Adventure Park makes for a great day out. Families, school groups, thrillseekers and nature enthusiasts can all join in the fun, with the TreeHut now hosting corporate groups for team-building experiences. I congratulate park owners Frederic and Sandrine, whose commitment to supporting local tourism is demonstrated through this unique tourist destination and who have also been recognised through a series of awards, including the 2013 Australian Business Award for Innovation and a 2013 New South Wales Tourism Gold Award. I encourage everyone travelling the M1 between Sydney and Newcastle to turn off at Tuggerah and enjoy a day amongst the branches at the TreeTop Adventure Park.

**Shortland Electorate: Health Services**

Ms HALL (Shortland—Opposition Whip) (13:54): I rise to join with the member for Hunter in calling on the government to fund the GP Access After Hours service that has been
run through the Hunter Division of General Practice and through the Hunter Medicare Local. It is a fantastic service. I know that people within my electorate use it regularly. It operates out of Maitland hospital, John Hunter Hospital and Belmont hospital. It has been able to prevent a number of people being hospitalised over a period of time, and it has cut down on the cost of medical services being provided within the Hunter.

The loss of funding for this service, coupled with the government's GP tax, is absolutely diabolical. On Saturday, over 400 people joined with me and other local members to say no to the government's GP tax. I promised the people at that rally that I would deliver a strong message to the Abbott government. The people of the Hunter, the people of Shortland, do not want a GP tax. They know that it is going to increase the cost of health and they know that they need to be able to go to a doctor and have that doctor bulk-bill. When Tony Abbott was health minister, the bulk-billing rate in Shortland electorate was under 60 per cent. When we were in power, it exceeded 82 per cent. The government stands condemned for its attempt to introduce a GP tax.

**Berowra Electorate: Hornsby Rockets Tenpin Bowling Team**

Mr RUDDOCK (Berowra—Chief Government Whip) (13:56): I have a positive story to be able to tell the House. It is different to what we hear on other occasions. It is a success story from the electorate of Berowra. The Hornsby Rockets are a tenpin bowling team for children with disabilities. That club has extraordinary virtues: great teamwork, friendship and perseverance. I have had the fortune of watching them play in the past, and they have just come back from Hobart, where they have had the national championships, and they now have a cabinet full of trophies. They were led by their president, Lesley Constable, and came home victorious, with eight medals and a trophy. The Hornsby Rockets are a fantastic initiative. They bring children together and they engage in sporting activities not in any way limited by their disabilities. I congratulate them very much upon their achievements and the way in which they overcome the problems that they experience. In particular, I would like to congratulate Emma Matthews, on her first place trophy, and the B-grade and C-grade teams on placing in their events. I look forward to seeing their skills on display soon as they play on their home ground in my electorate. I have had the opportunity of witnessing them, and they are a great team and well worth supporting.

**Australian Rural Leadership Foundation**

Ms McGOWAN (Indi) (13:57): It gives me great pleasure to rise in this House today and acknowledge the work of the Australian Rural Leadership Foundation. In particular I would like to acknowledge the work and the presence in the House today of the CEO of the ARLF, Lesley Fitzpatrick, and take this opportunity to thank her for what she has done for the Australian rural leadership community. I am a graduate of the ARLF's Australian Rural Leadership Program, and I am very proud to acknowledge the impact it has had on me and my colleagues over 21 years of its operation in Australia. Not only has the ARLP produced great leaders; it has also supported the development, right across Victoria, of community based leadership programs. Over the past week, I have had the honour of talking to people from five of those community leadership programs in this parliament. I have taken the opportunity to encourage them to put their hands up and say yes to leadership—leadership in this parliament, leadership in their communities and, most importantly, leadership within Australia. In
bringing my comments to a close, I say thank you to Lesley and to her staff and board, for all they have done to help make rural and regional Australia a much better place in which to live.

**Pentecost, Mr Nathan**

Ms SCOTT (Lindsay) (13:58): Penrith is lucky to be home to the inspirational and amazing Nathan Pentecost. Over the weekend, Nathan pushed through his pain barrier in his second 100-kilometre 'Pushathon'. In the process, he raised more than $5,000 for local charities. This was Nathan's second Pushathon, with last year the money going towards the Cystic Fibrosis Federation. Commencing his push at 6.30 am, over two days Nathan pushed over 20 laps of the five-kilometre Sydney International Regatta Centre. Nathan kept a cracking pace, completing most of his laps in under half an hour. Nathan is a wonderful member of the Lindsay community. I am proud to boast that, from his wheelchair, Nathan has represented Australia in three sports: weightlifting, basketball and rugby league, in which he is also the captain of the Penrith Panthers wheelchair rugby league team. I would like to acknowledge the support of Nathan's support team, who helped him through this enormous, amazing physical challenge—in particular, Simon from Emu Plains Spinal and Sports Physiotherapy. Today Nathan's wheelchair might be bent and broken, and I am sure Nathan is nursing a few aches and pains, but this is nothing for this remarkable young man, who I am sure will be ready to saddle up again next year.

The SPEAKER: In accordance with standing order 43, the time for members' statements has concluded.

**MINISTERIAL ARRANGEMENTS**

Mr ABBOTT (Warringah—Prime Minister) (14:00): I inform the House that the Treasurer and the Minister for Trade and Investment will be absent from question time this week as they participate in the Australia-China Strategic Economic Dialogue in Beijing. The Deputy Prime Minister will answer questions on behalf of the Treasurer and the Minister for Foreign Affairs will answer questions on behalf of the Minister for Trade.

**QUESTIONS WITHOUT NOTICE**

**Budget**

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:00): My question is to the Prime Minister. A single-income family earning $65,000 a year with two children will be around $6,000 worse off because of the Prime Minister's budget. This includes a $1.9 billion cut to family tax benefit B, found on page 198 of the budget papers. Why should Australian families have to pay for this Prime Minister's dishonesty?

Mr ABBOTT (Warringah—Prime Minister) (14:01): This government was elected to fix Labor's debt and deficit disaster, and fix it we will. I would be very reluctant to accept the figures in the Leader of the Opposition's question because the Leader of the Opposition has a bit of a record of misleading people.

Ms Macklin interjecting—

Mr ABBOTT: Let me point out to the House that under this government people will continue to receive generous social security benefits.

Ms Macklin: It's a $1.9 billion cut!
Mr ABBOTT: The difference is that under this government it will be sustainable. Under members opposite it was not sustainable. Just to give you a couple of examples, a single-income household with a child with $30,000 in private income will continue to receive some $18,000 from the taxpayer under this government if the child is under six. A similar household earning $90,000 will continue to receive some $6,000 from the taxpayer. This is a government which appreciates that families are doing it tough and, if members opposite are fair dinkum about doing the right thing by the families of Australia, repeal the carbon tax and do it now.

Carbon Pricing

Ms GAMBARO (Brisbane) (14:02): My question is to the Prime Minister. Could the Prime Minister inform the House how scrapping the carbon tax will benefit households and strengthen the Australian economy?

Mr ABBOTT (Warringah—Prime Minister) (14:03): I do thank the member for Brisbane for her question. Families and businesses right around Australia cannot wait to see this carbon tax scrapped.

Ms Macklin interjecting—

The SPEAKER: The member for Jagajaga will be warned if she is not desisting.

Mr ABBOTT: I was at a business this morning, Oxford Coal Storage in Melbourne. It has 400 employees and a $60,000 a month carbon tax, a bill that cascades right throughout the economy because this is one of the biggest food distributors in our country. So right around Australia every business is hit by the carbon tax. Every household is hit by the carbon tax, and the best thing this parliament can do right now for the businesses and the families of Australia is scrap the carbon tax.

This government was elected to do certain specific things. We were elected to stop the boats. We were elected to build the roads of the 21st century.

We were elected to get the budget back under control and, above all else, we were elected to scrap the carbon tax. If last year's election was about anything, it was a referendum on the carbon tax, and the answer of the Australian people was absolutely clear—scrap this toxic tax! It is a nine per cent impost on the price of power. It is a $9 billion a year handbrake on our economy. It is a $550 a year hit on households. This toxic tax must go, and it will go under this government. If the carbon tax stays, by midcentury our steel production will be down 20 per cent, our aluminium production will be down by 60 per cent, our gross national income per person will be down by $4,000. There will be a cumulative $1 trillion reduction in Australia's GDP. This is an economic disaster, and it is all the fault of members opposite.

Today legislation to scrap the carbon tax was reintroduced into this House of Parliament. Shortly, this legislation will be considered by the Senate and soon members opposite will have to say where they stand on this tax. Before the election they said they wanted to terminate the carbon tax. Well, they have their chance to terminate the carbon tax.

Opposition members interjecting—

The SPEAKER: There will be silence on my left particularly from the member for Rankin!

Mr ABBOTT: Vote to scrap this toxic tax in this House in a few days time.
Mr Perrett: This is a run of the bad movie!

The SPEAKER: The member for Moreton is warned!

Budget

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:05): My question is to the Prime Minister. A single-income family with two children earning $65,000 a year will be $6,000 a year worse off because of the Prime Minister’s broken promises on the GP tax, the petrol tax, family payments and cost of living. Isn’t it true that no matter what the Prime Minister says this week, Australians will still be $6,000 worse off because of his budget?

Mr ABBOTT (Warringah—Prime Minister) (14:06): This is the government which is determined to fix Labor’s debt and deficit disaster. Unlike members opposite, we do not live in some kind of fairyland where there is some kind of budget fix based on fiddling the books and cooking the figures.

Ms Macklin interjecting—

The SPEAKER: The member for Jagajaga is warned!

Mr ABBOTT: We do not live in that kind of a fairyland. We have explained to the Australian people exactly what we are going to do to fix Labor’s debt and deficit disaster. We have explained what we are going to do to do.

Mr Snowdon interjecting—

The SPEAKER: The member for Lingiari will remove himself under 94(a)!

Mr Burke: Madam Speaker, on a point of order: to be directly relevant, at some point the Prime Minister has to refer to the families that will be $6,000 worse off.

The SPEAKER: There is no point of order.

Mr Albanese interjecting—

Mr ABBOTT: I see the member for Grayndler is attempting to support the Leader of the Opposition for once! But we have explained—

Opposition members interjecting—

The SPEAKER: There will be silence on my left!

Mr ABBOTT: We have been open and up-front with the Australian people about what we are going to do to deal with the situation created by members opposite—

Mr Burke interjecting—

The SPEAKER: The member for Watson will desist!

Mr ABBOTT: whereby this country is paying $1 billion every single month. We are paying $1 billion every single month just to pay the interest on Labor’s borrowings. That is what we are doing. We have been very up-front with the Australian people about what we are doing to fix Labor’s debt and deficit disaster.

Ms Ryan interjecting—

The SPEAKER: The member for Lalor will desist!

Mr ABBOTT: Now members opposite should have the honesty and the integrity to tell us what they are doing to deal with the debt and deficit disaster that they created.
Carbon Pricing

Mr COULTON (Parkes—The Nationals Chief Whip) (14:09): My question is to the Deputy Prime Minister and Minister for Infrastructure and Regional Development. I refer to the list of liable entities, released by the Clean Energy Regulator on Friday, 20 June, which shows that Qantas, Virgin and Rex will face a carbon tax bill of $171 million in 2013-14. What is the government doing to remove the carbon tax, and how will air travellers benefit from its removal?

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:09): I thank the honourable member for Parkes for the question. He has every right to be concerned about the impact of carbon tax on Australian airlines. It adds to the cost of aircraft flying around the countryside. It makes it more difficult for people to go about their business. It makes it more difficult for country people, in particular, to go to the city when they need medical treatment or to attend to day-to-day activities. The impact of the carbon tax on these costs is having a major impact on the airlines themselves. We have heard members opposite talking about wanting to look after Qantas and Virgin and wanting to make sure that we have strong airlines in Australia. But how do they go about it? By imposing upon them a tax that airlines in other parts of the world do not pay. By imposing on them a penalty which makes it more difficult for them to get about their business. It makes it more difficult for them to trade profitably and to employ Australians.

Opposition members interjecting—

The SPEAKER: The member for Rankin and the member for Perth!

Mr TRUSS: This is Labor's response. This is Labor's way to help aviation in this country. It adds to their direct costs through fuel, and, of course, it also adds to their indirect costs. It makes it more expensive for many businesses to operate and, therefore, they fly less. All of that is bad news for the aviation sector. This financial year, the report shows that Qantas has already had to pay $114 million in carbon tax, whilst Virgin has paid $54.5 million and Rex has paid $2.3 million. This is at a time when the airlines are losing money and reporting negative balance sheets. They are talking about running at a loss and having to lay people off. Labor says it wants to help. Well, vote to get rid of the carbon tax! Get rid of the carbon tax and give our airlines a fair go. Give them an opportunity to trade profitably again and to provide services to the Australian people. There is a simple way for Labor to help the airlines. Take the advice of John Borghetti, who said that the best thing the government could do to make a difference to the airline industry was to remove the carbon tax. Here is your chance. Get on with it. Vote to get rid of the carbon tax.

Budget

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (14:12): My question is to the Prime Minister. The Prime Minister promised before the election that he would 'reduce cost-of-living pressures'. Can the Prime Minister confirm that, because of his budget, a single-income family earning $65,000 a year with two kids will be around $6,000 worse off? This includes a $1.9 billion cut to family tax benefit B—found on page 198 of the budget papers. Why should Australian families have to pay for the Prime Minister's deception?

Mr ABBOTT (Warringah—Prime Minister) (14:13): This government was absolutely crystal clear before the election that we would tackle Labor's debt and deficit disaster.
Opposition members interjecting—

The SPEAKER: There will be silence on my left, particularly from the member for Sydney, who has just asked a question!

Mr ABBOTT: We were absolutely crystal clear that we would tackle Labor's debt and deficit disaster.

Opposition members interjecting—

The SPEAKER: I cannot hear the answer for the cacophony on my left!

Mr ABBOTT: A single-income family with two dependants aged under six—

Mr Watts interjecting—

The SPEAKER: The member for Gellibrand!

Mr ABBOTT: A single-income family with two dependants aged under six on $60,000 a year will receive $12,630 a year from the taxpayer.

Mr Dreyfus interjecting—

The SPEAKER: The member for Isaacs is warned!

Mr ABBOTT: A single-income household with two dependants under six will get $12,630 from the taxpayer. What this illustrates is that people will continue to receive generous social service support under this government. The difference is that our social security system is sustainable under this government.

Mr Shorten interjecting—

The SPEAKER: The Deputy Leader of the Opposition has asked the question. The Leader will desist!

Mr ABBOTT: It was completely unsustainable under members opposite, and if—

Mr Burke interjecting—

The SPEAKER: The member for Watson is warned!

Mr ABBOTT: If members opposite are fair dinkum about looking after the families of Australia, they have an opportunity to do something this week in the parliament: vote to scrap the carbon tax.

Mr Shorten interjecting—

Mr ABBOTT: The Leader of the Opposition, who loudly interjects across the table, who cannot help himself when it comes to chattering across the table—

Mr Shorten interjecting—

The SPEAKER: The Prime Minister will resume his seat. The Leader of the Opposition will withdraw that comment. I am not having anyone reflect on the chair as you just did.

Mr Shorten: I withdraw, Madam Speaker.

The SPEAKER: There will be silence on my left so we can hear the answer. The Deputy Leader of the Opposition has asked her question. The least you can do is listen to the answer. The Prime Minister has the call.

Mr ABBOTT: The Leader of the Opposition ran around the country claiming that he would terminate the carbon tax.
Opposition members interjecting—

The SPEAKER: The Prime Minister will resume his seat. There is a general warning in place. The Prime Minister has the call.

Mr ABBOTT: The Leader of the Opposition liked to stand up before the election and say that he would terminate the carbon tax. He has an opportunity to be the terminator—

Mr Bowen interjecting—

The SPEAKER: The member for McMahon will remove himself under 94(a).

The member for McMahon then left the chamber.

Mr ABBOTT: and vote, to make an honest politician of himself. Vote to terminate the carbon tax in this parliament this week.

Mining

Mr KATTER (Kennedy) (14:16): The Galilee Basin has been on hold for 10 years. The SPEAKER: To whom is the question? Mr KATTER: For its coal to be mined, unit haulage costs require over 120 million tonnes to be carried each year on a single rail line. The SPEAKER: The member for Kennedy can start again, and he can begin by saying to whom the question is addressed.

Mr KATTER: My apologies, Madam Speaker. My question is to the Prime Minister. The Galilee Basin has been on hold for 10 years. For its coal to be mined, unit haulage costs require over 120 million tonnes to be carried each year on a single rail line. Would not government guaranteed development bonds provide confidence, security and multiuser status? If such were only conditional upon miners investing at high hurt levels, surely mining would happen. Would the PM’s dialogue with Queensland have already given the jobs to 457s and the rail line to GVK to China first to make mining as darned near, reportedly, as Santa Claus and the abominable snowman? (Time expired)

The SPEAKER: I call the honourable the Prime Minister. He may ignore the abominable snowman.

Mr ABBOTT (Warringah—Prime Minister) (14:17): I do thank the member for Kennedy for his question. Like other Queensland members, particularly members from North Queensland, such as the member for Leichhardt, the member for Capricornia, the member for Maranoa, the member for Flynn, the member for Herbert and the member for Dawson—there is an absolute litany of them; in fact, all of the North Queensland members put their hands up, please—all of them want to see the mining sector flourish, and all of them want to see infrastructure improve.

Mrs Griggs interjecting—

The SPEAKER: The member for Solomon will desist.

Mr ABBOTT: I will tell you what the government are doing to help the mining sector to flourish: we are scrapping the carbon tax and we are scrapping the mining tax. We do not treat coal as a pariah, as members opposite, thanks to their alliance with the Greens, are doing. The Greens are telling members opposite to treat coal as a pariah. This government will never treat coal as a pariah industry. We want it to expand. We want employment and investment in the
coal industry to expand. That is why we want to scrap the carbon tax and scrap the mining tax. If members opposite were serious about giving the coal industry a future, they too would vote to terminate the carbon tax.

The other thing we want to do is boost our infrastructure.

Ms MacTiernan interjecting—

The SPEAKER: The member for Perth, I would remind, there is a general warning in place.

Mr ABBOTT: I am thrilled to say, as the infrastructure Prime Minister, that in this budget some $50 billion in Commonwealth money is committed to infrastructure of the 21st century, including freight rail. This is the biggest infrastructure spend in Commonwealth history, in this budget. We are doing everything we reasonably can to boost the coal industry of North Queensland and to boost the infrastructure of North Queensland.

The SPEAKER: The Prime Minister will resume his seat. The member for Kennedy, on a point of order?

Mr Katter: I love what the Prime Minister is saying, but we want that infrastructure for the coalmining industry. We will give you a profit.

The SPEAKER: There is no point of order. The member for Kennedy will resume his seat. The Prime Minister has the call. The Prime Minister has concluded his answer.

Carbon Pricing

Mr WHITELEY (Braddon) (14:20): My question is to the Minister for the Environment. I refer the minister to the independent—

Opposition members interjecting—

The SPEAKER: The member for Braddon has the call.

Mr WHITELEY: That is right. Thank you, Madam Speaker. I refer to the independent Tasmanian Economic Regulator’s price determination released last week that shows electricity bills will be 7.8 per cent lower in 2014-15 without the carbon tax. Will the minister inform the House how scrapping the carbon tax will lower bills for Tasmanians and who is standing in the way?

Mr HUNT (Flinders—Minister for the Environment) (14:20): I particularly want to note that the member for Braddon campaigned at the last election on the basis of lowering the cost of living. As a consequence of that, he secured—

Mr Swan interjecting—

The SPEAKER: The member for Lilley, I will remind, there is a general warning.

Mr HUNT: one of the largest swings in Australia. He campaigned on the basis of cost of living. So far we have heard a series of questions from our friends on the opposition benches today about cost of living. If you would like to do something about cost of living, bills were introduced today which would deliver a $550 a year reduction in the cost of living—right now, an immediate reduction in the cost of living. On that front—

Ms Rishworth interjecting—

The SPEAKER: The member for Kingston, I would remind, there is a general warning in place if she wants to leave.
Mr HUNT: not only is there a provision for the ACCC to ruthlessly pursue anybody who fails to pass on the electricity and gas price reductions, but regulators are already making decisions. I want to take the release of the Tasmanian Economic Regulator from 19 June. The Tasmanian Economic Regulator came to a very interesting conclusion. The regulator authorised a reduction of 7.8 per cent in the bills faced by Tasmanians today for their electricity. This is not a failure to increase; this is an actual reduction of 7.8 per cent. That is what Tasmanian families will receive if they have the carbon tax bills passed. The regulator went on to say that this is ‘as a result of the energy market's expectation that the carbon price will be removed with retrospective effect from 1 July 2014’. But it is not just in Tasmania. In Queensland, the regulator has set down lower prices. In New South Wales, the gas regulator has set down lower prices. In the ACT, it is 11.6 per cent reduction compared with what would otherwise have been the case.

When we look at the private sector, over recent days we have had Origin, Alinta and Energy Australia all say that electricity prices would be lower and the full cost of the carbon tax would be passed through. Only an hour ago we saw AGL put out a release saying they will pass through the full cost of the carbon tax once the bills passed.

Mr Husic interjecting

The SPEAKER: The member for Chifley is reminded of a general warning.

Mr HUNT: In other words, the question then is: who is standing in the way of lower electricity bills for Australian families? Each and every one of those members on the opposite side. It is not the crossbenchers; it is the Leader of the Opposition and it is the members of the Labor Party who profess to care about the cost of living and who then vote for higher electricity prices. If you want to do something, get out of the way and support repeal.

Budget

Ms MACKLIN (Jagajaga) (14:24): Can the Prime Minister confirm that, because of his budget, a single-income family earning $65,000 with two children will be around $6,000 worse off? This includes a $1.2 billion cut to family tax benefit supplements found on page 200 of the budget papers. Why should Australian families have to pay for the Prime Minister’s deceit?

Mr ABBOTT (Warringah—Prime Minister) (14:24): Members opposite think that government could just go on borrowing and borrowing to pay benefits but the country simply could not afford it.

Dr Chalmers interjecting—

The SPEAKER: The member for Rankin, I remind, there is a general warning.

Mr ABBOTT: The spending spree of the Labor Party means that every single Australian—

Ms Owens interjecting—

The SPEAKER: I remind similarly the member for Parramatta.

Mr ABBOTT: including the family that the shadow minister referred to in her question, is contributing to $1 billion a month—in dead money—in interest repayments on Labor's borrowing. This is the difficulty that eventually had to be tackled and it has been tackled by this government. This is a government which has had the decency and the honesty to face up
to the debt and deficit disaster that we inherited from the former government, from members opposite.

Ms Macklin: Madam Speaker, I rise on a point of order: relevance. I remind the Prime Minister that these are John Howard’s family tax benefit supplements.

The SPEAKER: There is no point of order. Resume your seat.

Mr Abbott: Members opposite need to get real and they need to understand that we cannot and could not go on forever on borrowed money.

Dr Chalmers interjecting—

The SPEAKER: The member for Rankin will remove himself under standing order 94(a).

The member for Rankin then left the chamber.

Mr Abbott: We simply could not go on under the policies of members opposite borrowing more and more every month because we were going deeper and deeper into deficit every month. This government has taken the tough decisions. We have made the hard decisions necessary to get the budget back under control and to bring the budget back into balance within four years. Someone had to do it. Members opposite have proven incapable of doing it. This government has done what this country needed to be done.

Notwithstanding all the changes that this government has made, we will continue to have a generous social security system. A sole parent with two dependants aged six to 13 years earning $60,000 a year in 2016-17 will get $8,348 from the taxpayer in social security benefits. So we are continuing to generously support the vulnerable families of this country. That is what the people expect of us, but we have got to do it in ways which are sustainable—and that was never going to happen under members opposite.

Higher Education

Mr Matheson (Macarthur) (14:27): My question is to the Minister for Education. Will the minister inform the House how the government’s higher education reforms will allow our universities to compete domestically and internationally. Why should competition not be an end in itself?

Mr Pyne (Sturt—Leader of the House and Minister for Education) (14:27): I am pleased to get a question from the member for Macarthur on higher education reforms because I can tell him that our higher education reforms will create a great deal more freedom in the university sector in Australia—

Mr Watts interjecting—

The SPEAKER: The member for Gellibrand is reminded that there is a general warning in place.

Mr Pyne: allowing them to compete not only domestically amongst themselves for students but also compete internationally against those universities in Asia that are ever improving the quality of their offerings. So not only are we protecting a $15 billion a year international education market but we are also giving our Australian students a great deal more opportunity to go to university. In fact, should our reforms be passed, 80,000 more young Australians will get the opportunity to get a higher education qualification by lifting the demand-driven system cap that currently exists for sub-bachelor degrees and by expanding the Commonwealth grant scheme to non-university higher education providers.
The fact that competition is good for the uni sector has been recognised by Paul Wellings, the vice-chancellor of Wollongong university.

Mr Champion interjecting—

The SPEAKER: The member for Wakefield is reminded of a general warning.

Mr PYNE: He writes 'after all those years when the sector was controlled by volume and price, we should be celebrating the chance to do it differently'. So the uni sector gets it, and this government gets it: more competition is good for students, more competition is good for diversity and will allow our universities to compete.

But I am also asked by the member for Macarthur: should competition be an end in itself? Most people would agree that while competition is good, it can be taken too far. Some people call the member for Grayndler and the member for Maribyrnong 'the people's choice versus the factions' choice'; but at the moment they are being a bit more like the mongoose and the cobra. If you read this morning's Australian you will see what Troy Bramston has written there; he talks about their politics being those of absolute disunity. Disunity is death in Australian politics.

Ms Macklin: Madam Speaker, I rise on a point of order: relevance.

The SPEAKER: The minister will return to the question.

Mr PYNE: I was making the point that the university sector gets that competition is good for higher education; it is good for students and it is good for them to have the opportunity to compete with their Asian counterparts and amongst each other. But I was also making the point that competition can be taken too far when it becomes so destructive as it has—so poisonous—between the people's choice and the factions' choice. It becomes very destructive. I was shocked to see that it said—

Opposition members interjecting—

The SPEAKER: I would remind those on my left of a general warning. Those who are speaking may like to leave.

Mr PYNE: Albanese is undermining Shorten's focus on policy, strategy, presentation and party reform. I thought: 'What else is there?' What is he good at—carrying the drinks? Handing the coats?

The SPEAKER: The minister will resume his seat.

Mr Albanese: Madam Speaker, I rise on a point of order: as much as the member deserves some credit for this very long bow, he is defying your ruling.

The SPEAKER: The member will resume his seat. The minister, as I said, will return to the question.

Mr PYNE: I will, Madam Speaker. The only bows the member for Grayndler is interested in are the ones that carry arrows into the back of the Leader of the Opposition, unfortunately.

In this week of anniversaries—

Mr Burke: Madam Speaker, I rise on a point of order. Under standing order 91, he either obeys your ruling or he does not. At the moment he is not.

The SPEAKER: The minister will return to the question and refrain from using inappropriate terminology.
Mr PYNE: I will, Madam Speaker. Most of my time has gone, so I am happy to conclude my answer.

Mr Albanese: Madam Speaker, I rise on a point of order. He should withdraw.

The SPEAKER: Did the minister withdraw?

Mr Pyne: I am happy to withdraw if it assists the House. I am not quite sure what I am withdrawing but, if it makes the House happy, I withdraw.

The SPEAKER: I thank the minister.

Budget

Ms MACKLIN (Jagajaga) (14:32): My question is to the Prime Minister. A single-income family with two children, earning $65,000, will be $6,000 worse off because of the Prime Minister's cuts. Can the Prime Minister confirm that, if the government gets its way, families will receive the schoolkids bonus for the last time next week?

Mr ABBOTT (Warringah—Prime Minister) (14:32): I can confirm that we will keep the commitments that we made before the election and one of the commitments that we made was that we were scrapping the schoolkids bonus, because the schoolkids bonus is a cash splash with borrowed money. That is the problem. Members opposite think that you can keep spending money this country does not have and has to borrow, running up ruinous bills for our children and grandchildren to pay. We are not ripping off our children and our grandchildren. We are not mortgaging this country's future to sustain present spending. We are not. We are being absolutely responsible—

Mr Watts interjecting—

The SPEAKER: The member for Gellibrand has been reminded once already. He will desist or leave.

Mr ABBOTT: and we are implementing the policies we were straight enough with the Australian people—up-front enough with the Australian people—to take to the election, like abolishing the schoolkids bonus, a cash splash with borrowed money.

For the benefit of the shadow minister who asked the question, a single-income couple where one of the parents earns an income of $60,000 a year and the other does not earn an income, with two dependants aged six to 13, will continue to receive, in the year 2016-17, $8,348 from the taxpayer. The difference between the payments we will make and the payments members opposite were promising to make is that our payments can be relied upon because our social security system is sustainable in a way that of the members opposite simply was not.

Budget

Dr STONE (Murray) (14:29): My question is to the very hardworking Minister for Health. Will the minister update the House on how the government is making Medicare more sustainable? How will making Medicare sustainable support Australia's world-class medical research capability?

Mr Burke interjecting—

The SPEAKER: The member for Watson has been warned.
Mr DUTTON (Dickson—Minister for Health and Minister for Sport) (14:35): I thank the member very much for her question. I thank her for the work that she is doing, in particular, with FASD. She is very mindful of the threat of alcohol to parents and the dangers of the consumption of alcohol, particularly during the stages of pregnancy and especially in Indigenous communities. She is to be commended for that work.

In this budget, we have provided a way forward for the Australian community to continue to enjoy a sustainable Medicare system for decades ahead. But the Labor Party, as the Prime Minister pointed out before, live in this fairyland where, on the one hand, they are promising another $16 billion for the foreign aid budget in this country. They have no idea where that money will come from. They are promising to slug Australian families when it comes the continuation of the carbon tax.

Ms Rishworth interjecting—

The SPEAKER: The member for Kingston will remove herself under standing order 94(a).

The member for Kingston then left the chamber.

Mr DUTTON: They are promising money for families that this country just does not have. We know that, 10 years ago, we were spending $8 billion a year on Medicare. We will spend $20 billion this year on Medicare and it will continue to rise each and every year in this budget. It has risen by 42 per cent over the course of the last five years alone. I want, the government wants and the Australian population wants to make sure we can keep Medicare sustainable with an ageing population, with chronic diseases and diseases of the brain which will mean that by 2050, 7,500 Australians will be diagnosed each week with dementia and Alzheimer's in this country. We have to address those costs as they are incurred over the coming decades.

In this budget we propose to build a $20 billion capital guaranteed medical research fund that the Labor Party will never be able to spend down but from which we will be able to derive $1 billion in income each year to supplement the $750 million or $800 million a year that we spend on medical research today. When Labor were in government they spent down every capital fund that they had, but we will ensure that this fund is protected.

To fund that, we propose to keep bulk-billing but to have a $7 co-payment that, for those people who cannot afford to pay the $7 co-payment, is at the doctor's discretion, as it applies today, so we will take care of those who are most in need. But we will say to those Australians who have a capacity to pay the $7 that, yes, we want you to contribute that $7 because we cannot afford as a country to continue with 263 million free services under Medicare, as we did last year. Yes, we will provide for those that do not have a capacity to pay the $7, but out of the $7 we will put $5 into the $20 billion Medical Research Future Fund and the $2 will be contributed to doctors and healthcare providers to supplement the money that they receive under Medicare now. It will mean a $500 million windfall for those doctors and healthcare providers. That is what we will do to keep Medicare sustainable.

DISTINGUISHED VISITORS

The SPEAKER (14:38): I advise the chamber that we have on the floor of the House with us today His Excellency the Ambassador for Sri Lanka and a delegation from the parliament of Sri Lanka led by the Hon. Nimal Siripala de Silva. We make you all most welcome.
We also have with us a delegation from Uganda, led by the Hon. Wafula Oguttu MP. We make you most welcome.

We also have with us His Excellency the Czech Ambassador, Mr Martin Poll. And we have with us Mr Bill Purdy DFC, a pilot with RAAF Squadron 463, Bomber Command. We make you most welcome.

Honourable members: Hear, hear!

QUESTIONS WITHOUT NOTICE

Budget

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:39): My question is to the Prime Minister. Workers at Oxford Cold Storage earn around $50,000 per year. Did the Prime Minister tell the Oxford Cold Storage workers, as he was being photographed with them at a photo opportunity this morning, that he was cutting $6,000 from their family budgets? Why should those workers at Oxford Cold Storage pay for this Prime Minister's dishonesty?

Mr ABBOTT (Warringah—Prime Minister) (14:39): The best thing that I can do for the workers of Oxford Cold Storage—

Mr Conroy interjecting—

The SPEAKER: The member for Charlton is warned!

Mr ABBOTT: and for workers in businesses right around Australia is to try to ensure that those businesses remain profitable, because if you cannot make a profit you cannot survive and if you do not survive there is no employment and there are no workers. This government gets it in a way that members opposite never did. You cannot have strong communities without a strong economy to sustain them and you cannot have a strong economy without profitable private businesses. We get that; members opposite do not. That is why they loaded up private businesses with the carbon tax, with the mining tax, with endless regulations—

Mr Shorten: Madam Speaker, I raise a point of order on relevance. I just ask the Prime Minister: you're happy to use workers for your hi-vis photo props—

The SPEAKER: There is no point of order.

Mr Shorten: why don't you tell them the truth?

The SPEAKER: The Leader of the Opposition will resume his seat. I would remind the Leader of the Opposition it is not a point of order merely to try and repeat a question. The Prime Minister has the call.

Mr ABBOTT: The point I am making is that the best thing that we can do for the workers of Australia is to try to ensure that their businesses can flourish, because if the businesses can flourish the workers can continue to be employed and can enjoy the higher wages that everyone wants to see workers in this country earn. More profitable businesses are more productive businesses; more productive businesses have higher paid workers. We get that; members opposite do not. That is why they loaded up the businesses of Australia with the mining tax, with the carbon tax, with more regulation and green tape. We want to see all of those go.

The Leader of the Opposition asked me about workers earning $50,000. Let me explain for the Leader of the Opposition's benefit that, under the budget that this government has brought
down, if you are a sole parent, with one child aged under six, earning $50,000 in 2016-17 you will receive $11,705 in social security support.

The difference between this government and members opposite is that we support the businesses employing the workers and we want the social security system to be sustainable for the long run. We understand, in a way that members opposite do not, that you cannot continue to pay money that you haven't got. You cannot continue to saddle up future generations with ever-expanding debt to pay for today's consumption. You cannot do that. Members opposite should really wake up to themselves. We have explained how we will sort out Labor's debt and deficit disaster. Members opposite need to do the same.

**Employment**

Mr WILSON (O'Connor) (14:42): My question is to the Minister for Industry. Will the minister inform the House how the government's trade support loans and plans for skills and training are providing opportunities for future students?

Mr IAN MACFARLANE (Groom—Minister for Industry) (14:43): I thank the member for O'Connor for his question. I quote from the member for O'Connor's maiden speech last year where he said, when describing his electorate:

> Small business is the beating heart of O'Connor … that provides the jobs and opportunities for the future.

The member for O'Connor is working extremely hard to provide that future for those small businesses in the face of the legacy that Labor left. He knows, we on this side know, that that beating heart—which includes agriculture, horticulture, timber, tourism, fishing, gold, nickel and iron ore operations—depends on the next generation of tradespeople to fill those jobs, to push that economy along and to make sure that we have the production and the productivity we need to make this country great. That is why this government is investing $1.9 billion in trade support loans to make sure that we have apprentices who target the skills that industry needs and wants.

The loans that we are providing through the Trade Support Loans scheme will target the National Skills Needs List, which includes many of the priorities that cover the businesses in the seat of O'Connor. As well as the obvious ones—as I have mentioned, mining is of huge importance in the seat of O'Connor—there are also priority qualifications that cover beef and cattle production, dairy and irrigation, wool classing and horse breeding, just to name a few of the 100, which just shows that, across the board in a whole range of traineeships and trades, the Trade Support Loans will be welcomed by the community, who have already provided the feedback to my office and, I am sure, to the member for O'Connor on just how good these Trade Support Loans are—just how much better they are than the old Tools For Your Trade scheme.

I know the member for Cunningham is coming around. I know in time—it will take time—she will come around, because this is a much better option. It gives young people who do a four-year apprenticeship around $12,000, along with the cash in hand, so they have more money sooner to cover their costs of living. Of course, their challenge is to make sure there are jobs there for them, and industry's challenge is that as well. Of course, the best thing to make sure there are jobs there for them is to make sure those industries prosper.
What is happening in Western Australia is that, last year, Western Australia paid $600 million in carbon tax, straight into the black hole. If we want to make sure these people have jobs, the Labor Party should get rid of the carbon tax.

**Budget**

Mr DANBY (Melbourne Ports) (14:46): My question is to the Prime Minister. Can the Prime Minister confirm that, because of his budget, a single income family earning $65,000 with two kids will be $6,000 worse off? This includes a new $2.2 billion petrol tax found on page 17 of your budget. Why should Australian families have to pay for the Prime Minister's deception?

Mr ABBOTT (Warringah—Prime Minister) (14:46): We were absolutely up-front that we were eliminating the schoolkids bonus and we were absolutely up-front that we were going to tackle the debt and deficit disaster.

*Opposition members interjecting—*

The SPEAKER: I cannot hear the answer at all, and neither can you, so you will desist and be silent.

Mr Watts interjecting—

The SPEAKER: The member for Gellibrand will leave under standing order 94(a).

Mr ABBOTT: As for fuel excise indexation, that was a policy that was introduced by members opposite and it is a policy which has been resumed by this government. It is a policy that was introduced by members opposite—

Mr Champion interjecting—

The SPEAKER: The member who made that interjection will withdraw and leave the chamber for one hour under standing order 94(a).

Mr Champion: I withdraw.

Mr ABBOTT: So it comes passing strange for members opposite to be complaining about fuel excise indexation when it is a Labor tax. It is a Labor tax that was invented by the Labor Party and it has been restored by this government as a revenue measure. It will cost the average family some 40c a week in the coming financial year.

I accept that there have been some tough decisions in this budget. I accept that. I accept that this government has made some hard choices in this budget. We had to make tough decisions. We had to make hard choices because members opposite consistently shirked the tough decisions, the necessary decisions, that were needed to sort out the debt and deficit disaster that they themselves had created.

But I say to the member who asked the question that, if you are a single income earner on $60,000 a year with three dependants, one aged under six and two aged between six and 13, you will continue to receive $17,920 a year from the social security system.

Mr Mitchell interjecting—

The SPEAKER: The Second Deputy Speaker will desist!
Mr ABBOTT: The difference between this government and members opposite is that this government wants all workers’ jobs to be more secure. That is why we are—

Ms Ryan interjecting—

The SPEAKER: The member for Lalor is not even in her own seat and not entitled to speak at all!

Mr ABBOTT: scrapping job-destroying, economy-wrecking taxes, and we want the social security system to be sustainable. A social security system that is run on borrowed money simply is not sustainable. We are fixing Labor’s debt and deficit disaster. We have explained to the Australian people how we will fix the debt and deficit disaster that we inherited. It is high time that Labor explained what they will do to address the debt and deficit disaster that they created.

Asylum Seekers

Mr VASTA (Bonner) (14:49): My question is to the Minister for Immigration and Border Protection. Will the minister inform the House what action the government is taking to clear the backlog of more than 30,000 asylum claims by illegal maritime arrivals that were not processed by the former government?

Mr MORRISON (Cook—Minister for Immigration and Border Protection) (14:50): I thank the member for Bonner for his question and I thank the many members on this side of the House who continue to show an interest in this topic, because there have not been any questions from those opposite now for more than 100 days on the issue of border protection either to me or to the Prime Minister. So it would seem, as I have said before, that the success we are having in stopping the boats is stopping the questions as well from those who sit opposite. And I am not surprised because anytime they may dare to ask a question—

Opposition members interjecting—

Mr MORRISON: Is it my lucky day? Is it? Is it? Any day they seek to ask a question in this place there will be the opportunity to remind those opposite of their hopeless failure while they were in government.

On this issue, it is true that Labor left behind a mess on our borders, but they also left behind more than 30,000 people, more than half of those who arrived on their watch, without processing them. Twenty-three thousand of them they did not even commence processing. So I found it strange on the weekend that the member for Corio said that we needed to start processing people. Where was he from August 2012 to the election in September 2013? Completely absent, I am sure.

But we are getting on with the job, and the way we are getting on with the job is that, first of all, you do not add to the problem. What you do is you do not add to the problem, and we have not had a successful venture for people smugglers in over six months. But the next thing you do is you start to process them. We put in place temporary protection visas, which were disallowed by Labor and the— is this is a question? Is it? Is there a chance?

Mr Marles: Madam Speaker, I rise on a point of order on relevance. The High Court has just slapped down the minister's processing policy. The question that he needs to answer—

The SPEAKER: This is not argument. The member will resume his seat. And I would suggest to the member for Corio that he study the practice and find how properly to use a
point of order. It is not an invitation to merely have an argument. The call goes to the minister.

Mr MORRISON: Thank you, Madam Speaker. We put in place temporary protection visas which were disallowed by Labor and the Greens—exactly what they did back in 2008. And guess what happened after it—50,000 people turned up on 800 boats and almost 1,200 people died. On the weekend we still heard the shadow minister unrepentant about the fact that they do not think temporary protection visas have anything to do with this proposition. What those opposite need to understand is: this government will not provide permanent visas to those who arrived illegally by boat. It will not happen—not ever. And if you want to try me on it, you try me on it. The people smugglers have tried this government on these issues and they have failed, and we are prevailing. If you want to try to intimidate this side on border protection, do your best, because you will fail. This government will not buckle on our borders. We will not buckle to people smugglers; we will not roll over to the chanting and choruses that come from around the country calling on people to roll back border protection measures. We know the Labor Party will do it; we know the Labor Party will do it every time. But this government will never buckle on our borders—ever.

Budget

Ms KIng (Ballarat) (14:54): My question is to the Prime Minister. The Prime Minister promised before the election that he would reduce cost-of-living pressures. Can the Prime Minister confirm that because of this budget a single income family earning $65,000 with two kids will be around $6,000 worse off? This includes a $3.5 billion new GP tax found on page 133 of the budget papers. Why should Australian families have to pay for the Prime Minister’s deception?

Mr ABBOTT (Warringah—Prime Minister) (14:54): I have the budget papers before me. I have got a dual-income couple on a 70-30 income split, with two dependants aged under six, earning $60,000, and they will receive $10,067 a year through the social security system in 2016-17. Under this government people will continue to receive generous social security benefits. The difference is that under this government they will be sustainable. Under members opposite, they were being paid for by borrowed money. They were mortgaging our children’s and our grandchildren’s future so that they could big-note themselves with handouts. That is what they were doing. When it comes to—

Mr Shorten: Where’s the handout?

Ms Plibersek interjecting—

The SPEAKER: The Leader of the Opposition will desist, as will the Deputy Leader of the Opposition.

Mr ABBOTT: I just make the point to the shadow minister: why is it right to have a PBS co-payment and somehow wrong to have a Medicare co-payment?

Ms King: All invested back into pharmaceuticals.

The SPEAKER: The member for Ballarat will desist.

Mr ABBOTT: She can interject, but it would actually be nice to have from members opposite a clear rationale. Why is it right to have a PBS co-payment and somehow wrong to have a Medicare co-payment, especially when Bob Hawke was the father and the member for
Jagajaga was the mother of the co-payment and the member for Fraser is the child of the co-payment?

The SPEAKER: The Prime Minister will resume his seat. The member for Ballarat on a point of order—and it had better be a proper point of order.

Ms King: Madam Speaker, I rise on a point of order on relevance. He was asked about the $3.5 billion GP tax all of which is not being invested back into health care.

The SPEAKER: No, that is not making the case out under the standing orders. The member will resume her seat.

Mr Dutton interjecting—

The SPEAKER: The honourable Minister for Health will desist!

Mr ABBOTT: I know that members opposite do not like being reminded of the fact that former Prime Minister Bob Hawke brought in a co-payment and the current shadow minister for families supported a co-payment, and the Labor shadow Treasurer down there supports a co-payment. But let us just repeat what the member for Fraser thinks:

… there's a better way of operating a health system, and the change should hardly hurt at all … the ideal model involves a small co-payment—not enough to put a dent in your weekly budget, but enough to make you think twice before you call the doc. And the idea is hardly radical.

So I say to the member who asked the question: your argument is not with me; your argument is with your own Assistant Treasurer. You persuade the shadow Assistant Treasurer that a co-payment is a bad idea, and then I will start to listen to you.

Terrorism

Mr VAN MANEN (Forde) (14:57): My question is to the Minister for Foreign Affairs. Will the minister inform the House of what steps the government is taking to keep Australians safe from terrorists returning from fighting in Iraq and Syria?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:58): I thank the member for Forde for his question. The government is gravely concerned by the fact that Australian citizens are heading to Iraq and Syria not only to fight but to take leadership roles in radicalising others in these conflicts. This is one of the most disturbing developments in our domestic security in quite some time.

There are approximately 150 Australian citizens who we believe are linked to extremist groups in Syria and Iraq, including the terrorist group the Islamic State of Iraq and the Levant—an organisation that has been defined by its savagery and its brutality. There is a real danger that these extremists will come back home as trained terrorists and pose a threat to our security. The Australian government condemns terrorism in the strongest possible terms and is taking firm steps to respond to this terrorist threat.

Our intelligence agencies are working closely with partners in the Middle East, South-East Asia, Europe and the United States to monitor this extremist activity and to track those, including Australians, who are travelling to Syria and Iraq. We have listed ISIL and other terrorist organisations under our Criminal Code. There are strong penalties, including imprisonment of up to 25 years for a range of terrorist offences.

Any Australian found to be engaged with these terrorist organisations will be arrested, detained and prosecuted. Under the Australian Passports Act I have the authority to cancel or
refuse to issue a passport where we suspect an individual is a threat to the security of Australia. In the past few months I have cancelled a substantial number of passports on security grounds, and I continue to do so.

We are considering other measures that can be taken to combat this escalating terrorist threat. I can assure the member for Forde and the members of this House and the Australian public that the Australian government is absolutely committed to the security of this nation and to keeping Australians safe.

Budget

Ms KATE ELLIS (Adelaide) (15:00): My question is to the Prime Minister. Why should Australian families have to pay for the Prime Minister's $1 billion in cuts to childcare assistance while spending over $20 billion on his rolled gold Paid Parental Leave scheme?

Mr ABBOTT (Warringah—Prime Minister) (15:00): Childcare payments are not going down. They are not. They are not going down, but I do make the observation that members opposite, when they were in government, froze the childcare rebate. They froze the childcare rebate. Members opposite, when they were in government, promised 260 childcare centres to end the double drop-off and they delivered only 38. Wasn't it right that only 38 out of 260 were actually delivered?

Ms Kate Ellis: I rise on a point of order.

Mr ABBOTT: How can a point of order be taken on this? I am exactly answering her question.

The SPEAKER: The member for Adelaide has a point of order, and it had better be a right one.

Ms Kate Ellis: My point of order is on relevance. The Prime Minister just said that there were not $1 billion in cuts, and his budget shows quite the opposite.

The SPEAKER: The member will resume her seat. That is not a proper point of order. It is not an invitation to re-argue your question. That is argument. The Prime Minister has the call. The next person who does that will leave the chamber.

Mr ABBOTT: I repeat: when members opposite were in government they froze the childcare rebate and this government has done no more than what the former government was prepared to do with benefits in this area. If it was right for the former government to do things like freeze the rebate, why isn't it right for this government, likewise, to do what it has done?

I do say that, for all the histrionics that we are getting from the shadow minister who asked the question, members opposite have an absolutely hopeless record. They promised 260 childcare centres to end the dreaded double drop. Remember that? They promised to end the double drop with 260 childcare centres; 38 is all they built.

Under members opposite, childcare costs increased by 53 per cent—53 per cent! We want to see a better childcare system. We want to ensure that our childcare spending gets the maximum possible benefits to our community and to our economy. That is why we have a Productivity Commission inquiry. As for Paid Parental Leave, all this government wants is for the same sort of system that currently applies to public servants, who get paid at their wage—the same fairness that members opposite think should apply to public servants—to
apply to everyone, because if it is right for public servants it is right for the rest of our community.

I do not see why members opposite should want a better deal for public servants than they want for the ordinary battling, struggling workers of this country. What is fair for public servants is fair for everyone. That is why this government supports a fair dinkum Paid Parental Leave scheme.

**People Smuggling**

**Mr PORTER** (Pearce) (15:04): My question is to the Minister for Justice. Will the minister update the House on what federal law enforcement agencies are doing to combat people smuggling?

**Mr KEENAN** (Stirling—Minister for Justice) (15:04): I thank the member for Pearce for that question, because he understands the importance of the government's work to stop people smuggling and therefore save lives. He also knows that people smuggling is a very evil and resilient crime. It is engaged in by sophisticated criminal gangs who operate internationally and is solely driven by the enormous profit on offer.

Many smuggling activities are organised by criminal networks that are also involved in other crime types such as drug trafficking, money laundering, document fraud and arms smuggling. In six years in government the Labor Party reinvigorated the people-smuggling trade and then they utterly failed to stop or deter the organised criminal networks that are responsible.

They did absolutely nothing for six years apart from pursuing policies that encouraged chaos and leniency. Whilst in government they even directed the Commonwealth Director of Public Prosecutions not to prosecute certain people-smuggling types. This obvious weakness served to do only one thing: to embolden people-smuggling gangs, and that led to record illegal boat arrivals.

But I am pleased to report to the House that, unlike Labor's failed policies, the Abbott government, since coming to office, has resolved to aggressively pursue people smugglers, and they have been very effective in doing so.

I can confirm that on Friday, after a very long operation, the Australian Federal Police charged a man who was alleged to have smuggled people into our country. The 42-year-old was formally charged in Perth following his extradition from Germany. The arrest followed a substantial investigation by the Australian Federal Police in conjunction with its international law enforcement partners, particularly in Germany and through Interpol.

The Abbott government is committed to undermining the business models of these sophisticated and deadly organised criminal syndicates, and I congratulate the Australian Federal Police and their international partners for the work that they have done in facilitating this arrest. Unlike Labor, our policies have seen the dangerous practice of people smuggling by boat stopped. The government's Operation Sovereign Borders has proved to be extremely effective, with no successful people-smuggling arrivals for six months. I congratulate the Minister for Immigration and Border Protection for the success that he has achieved.

The message to people smugglers under the Abbott government is very clear: we will pursue you wherever you are in the world, and we will bring you to justice with the full force of Australian law.
Budget

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (15:07): No matter what the Prime Minister says this week, all Australians will be paying because of the Prime Minister's broken promises on the GP tax, the petrol tax, family payment cuts and the cost of living.

Mr Pyne interjecting—
Mrs McNamara interjecting—

The SPEAKER: The Leader of the House will desist and the member for Dobell will desist.

Mr SHORTEN: Why should Australians pay for the Prime Minister's dishonesty?

Mr ABBOTT (Warringah—Prime Minister) (15:07): Australia simply could not go on as we were, under the former government, borrowing more and more every year, loading up our children and our grandchildren with an ever-increasing debt. Right now, because of the policies of the former government, every Australian is paying a billion dollars every single month.

Ms Kate Ellis interjecting—

The SPEAKER: The member for Adelaide will desist.

Mr ABBOTT: We are contributing our share to the billion dollars that the Commonwealth is paying every single month—

Ms Macklin interjecting—

The SPEAKER: The member for Jagajaga will desist.

Mr ABBOTT: just to pay the interest on Labor's borrowings and, under the policies of members opposite, within a decade it would have been $3 billion a month. We simply could not go on like this. Every year of deficit takes us deeper into debt, and every year the debt goes up the interest bill just increases. It just goes up and up and up and up.

Mr Swan: Another lie!

The SPEAKER: Was that the member for Lilley?

Honourable members: Yes!

The SPEAKER: The member for Lilley will withdraw his comment and leave, under standing order 94(a).

Mr Swan: I withdraw, but he's still a liar.

The SPEAKER: I name the honourable member for Lilley.

Mr Pyne: I move:

That the member for Lilley be excused from the service of the House.

A division having been called and the bells being rung—

The SPEAKER: I have consulted with the Clerk, who advises me that the scenario I put to you earlier—that he had been removed under 94(a) but has subsequently been named—means that it would be in accordance with tradition for him to resume his place in the
chamber to vote. Therefore, I invite him to come back and take his seat. The question is that the member for Lilley be excused from the service of the House.

The House divided. [15:13]

(The Speaker—Hon. Bronwyn Bishop)

Ayes ....................87
Noes .....................50
Majority ..............37

AYES

Abbott, AJ
Andrews, KJ
Baldwin, RC
Bishop, JB
Broad, AJ
Brough, MT
Chester, D
Ciobo, SM
Coleman, DB
Dutton, PC
Fletcher, PW
Gambharo, T
Goodenough, IR
Hartleyker, L
Henderson, SM
Hogan, KJ
Hunt, GA
Irons, SJ
Jones, ET
Keenan, M
Laming, A
Laundy, C
Macfarlane, IE
Matheson, RG
McNamara, KJ
Nikolic, AA
O'Dwyer, KM
Pasin, A
Porter, CC
Price, ML
Ramsey, RE
Robert, SR
Ruddock, PM
Scott, FM
Smith, ADH
Stone, SN
Sukkar, MS
Tehan, DT
Tudge, AE
Van Manen, AJ
Vasta, RX
Wicks, LE
Wilson, RJ
Wyatt, KG

Alexander, JG
Andrews, KL
Billson, BF
Briggs, JE
Broadbent, RE
Buchholz, S (teller)
Christensen, GR
Cobb, JK
Coulton, M (teller)
Entsch, WG
Frydenberg, JA
Gillespie, DA
Griggs, NL
Hawke, AG
Hendy, PW
Howarth, LR
Hutchinson, ER
Jensen, DG
Joyce, BT
Kelly, C
Landry, ML
Ley, SP
Marino, NB
McCormack, MF
Morrison, SJ
O'Dowd, KD
Palmer, CF
Pitt, KJ
Prentice, J
Pyne, CM
Randall, DJ
Roy, WB
Scott, BC
Simpkins, LXL
Southcott, AJ
Sudmalis, AE
Taylor, AJ
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Turnbull, MB
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Question agreed to.

The SPEAKER (15:19): The member for Lilley is excluded from the service of the House for 24 hours.

The member for Lilley then left the chamber.

Mr ABBOTT (Warringah—Prime Minister) (15:19): Madam Speaker, there is really only one explanation for the member for Lilley's outburst a few moments ago, and that is a guilty conscience—a guilty, guilty conscience.

Honourable members interjecting—

Mr Burke: It is not, Madam Speaker. The Prime Minister has to be relevant to the question that he was asked during question time, not to the resolution that the House just dealt with.

The SPEAKER: There is no point of order. The Prime Minister has the call.
Mr ABBOTT: I was asked about the budget and I am talking about budgets—the 2012 budget in particular, which the member for Lilley introduced by declaring, 'The four years of surpluses that I announce tonight'. The budget that we have just brought down is necessary to address the debt and deficit disaster that members opposite created. They gave us the six biggest deficits in Australia's history. They gave us debt and deficit stretching out as far as the eye can see—$123 billion of further deficits, $667 billion of projected debt—and they thought they had delivered four surpluses. That is what the member for Lilley claimed he had delivered. What an utter fraud on the Australian people. That is what members opposite were—a complete fiscal fraud on the Australian people. This government knows a problem when we see it. The problem is Labor and we are dealing with it.

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

PERSONAL EXPLANATIONS

Mr ALBANESE (Grayndler) (15:21): Madam Speaker, I seek leave to give a personal explanation.

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

Mr ALBANESE: I do.

The SPEAKER: Please proceed.

Mr ALBANESE: In today's edition of The Australian an opinion piece by Troy Bramston contains a number of falsehoods, assertions and fictions. Only one of the assertions is backed up by a quote with an attribution, which it is now drawn to my attention is from Bob Carr's recent book. The book says that Bob Carr had received a telephone call from New South Wales Labor's secretary, who said:

"he had just taken calls from (Chris) Bowen and Albanese complaining that I had undermined their pro-Rudd campaign".

As now Senator Sam Dastyari has confirmed to the Senate, this is not correct. As Senator Dastyari also confirmed, my only comments to him at the time were that people should shut up about the leadership and get on with the business of governing.

As for the other assertions, they are absurd, wrong, without any attribution, unprofessional and contradicted by a cursory examination of the facts and recent history. The fact is that I am working hard each and every day to hold this government to account. That is my only focus.

Ms MACKLIN (Jagajaga) (15:23): Madam Speaker, I wish to make a personal explanation.

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

Ms MACKLIN: I do, by the Prime Minister.

The SPEAKER: Please proceed.

Ms MACKLIN: Twice today in question time the Prime Minister wrongly accused me of supporting a Medicare copayment. He accused me of being the 'mother' of the copayment. I want to make it very clear to the House for a third time that this is completely false. I opposed the copayment in 1991 and I oppose it now. This has been confirmed by the then secretary of the finance department, Dr Keating, and I ask the Speaker to intervene to ensure that this falsehood is not repeated a fourth time in this House.
The SPEAKER: I would say to the member that she chose to take a personal explanation as distinct from asking at intervention at an earlier point, which is perfectly her right to do.

AUDITOR-GENERAL’S REPORTS
Reports Nos 47 and 48 of 2013-14

The SPEAKER (15:24): I present the Auditor-General’s Audit reports for 2013-14: No. 47, Managing conflicts of interest in FMA agencies across agencies; and No. 48, Administration of the Australian Business Register, Australian Taxation Office, Australian Securities and Investment Commission, Department of Industry.

Ordered that the reports be made parliamentary papers.

DOCUMENTS
Presentation

Mr PYNE (Sturt—Leader of the House and Minister for Education) (15:24): Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings.

BILLS
Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr DREYFUS (Isaacs—Deputy Manager of Opposition Business) (15:25): As I was saying before question time, there is a need to cut through this government’s empty rhetoric about supposed red tape and deregulation and to look always at what is actually proposed. In that regard, the inaugural Independent National Security Legislation Monitor, the eminent Australian lawyer Bret Walker QC in his final report, tabled last week, cut through the government’s rhetoric with a few pithy statements about the proposal to abolish his office and the legislation which created his office. He said there was no prior consultation with the INSLM before it was announced that repeal of the INSLM Act would be sought by the government as part of the reduction of red tape. Mr Walker went on to say:

The proposed repeal of the INSLM Act has been explained as "designed to reduce bureaucracy and streamline government" by removing "duplication of responsibilities and between different levels of Government".

Mr Walker said:

The INSLM is not aware of any other officer, agency or "level" of government doing what Parliament required to be done by the INSLM Act enacted in 2010.

To finish: in case it were not clear, the Independent National Security Legislation Monitor as almost his last act in office had this to say about the government’s supposed 'bonfire of red tape':

Given the enacted purposes of the office of INSLM, I dissent from its description as red tape.

It is important to distinguish between the kind of pretence and charade that this government has been engaging in with its supposed bonfire of regulation and real regulatory reform. Unlike the government’s false bonfire of regulations, unlike the government’s proposal to
abolish the Independent National Security Legislation Monitor, this Regulatory Powers (Standard Provisions) Bill 2014 is real regulatory reform. It is almost identical to the bill which the Labor government introduced in 2012, and the present federal opposition supports it.

Debate adjourned.

Reference to Federation Chamber


Trade Support Loans Bill 2014

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

to which the following amendment was moved:

That all the words after "That" be omitted with a view to substituting the following words:

"whilst not declining to give the bill a second reading the House notes that the Government has failed to:

(1) advise apprentices that they would be abolishing the Tools for Your Trade program, thus leaving Trade Support Loans as the only form of assistance for the purchase of tools;
(2) adequately explain in clear language the interest rates and full liability of these loans;
(3) offer adequate protection for school based apprentices aged under 18;
(4) offer fair and reasonable transition arrangements for current apprentices;
(5) put in place adequate privacy protections for the large volumes of information that will be acquired through the Trade Support Loans Program; and
(6) offer apprentices the option of lump sum payments in order to purchase expensive items."

Mr IRONS (Swan) (15:29): I rise to speak on the Trade Support Loans Bill 2014. The Australian government is committed to building a high-quality and nationally consistent Australian apprenticeship system which supports apprentices and responds to the needs of employers and the economy. There may be some members in this place who have done an apprenticeship. I did one myself back in the seventies. After completing form 4 at Blackburn High School I decided I wanted to be an electrician. I entered an apprenticeship with a one-man business in Eltham and then moved to a company in Doncaster which was closer to home. Part of the reason for that was transport issues. I was too young to drive and on many occasions ended up hitchhiking from Eltham to Box Hill North, often after dark. In the seventies that is just the way it was. Today we would be horrified to know that 16-year-olds were hitchhiking home late at night from work.

This bill goes part way to addressing the financial and transport challenges that apprentices face in today's economy. Apprenticeships are declining in Australia, but I know there are many industries and people who want to see an increase in apprenticeships. There are a couple of people from the Air Conditioning and Mechanical Contractors' Association in the
gallery today—David Eynon, who is the CEO, and Chris Smith, President of AMCA. Chris is from WA. It is great to see them in the chamber. I know they have a major interest in apprenticeships. There are major changes planned for the refrigeration mechanic apprenticeship courses. Energy Skills has initiated a project to dramatically alter the apprenticeship training program for refrigeration mechanics. The project is being guided by a steering committee which has representation from AMCA on it.

I see the member for Chifley leaving. He might be interested to hear that my first take-home pay as an apprentice back in 1974 was $39 for one week. Things have moved on since then. It was at a time when apprenticeships were still being focused on as a genuine vocation to aspire to and to achieve after people left school. People then were more focused on getting apprenticeships than they were going to university. Things have turned around since then. Part of this bill and part of the reason for the bill is that we want to make sure that being an apprentice is sustainable not only for the apprentices but also for the businesses who provide the opportunities for apprentices. That is what this bill leads to.

I know the member for Cunningham expressed some concerns over school aged apprentices accessing loans. I am pleased to inform her that trade support loans for those under 18 are consistent with other education loans that can be accessed by students under 18, such as HELP. Similar to HELP, information will be available to apprentices and parents to ensure they are aware of their responsibilities undertaken with the loan. It is also worth noting that apprentices must opt-in to the loan every six months, ensuring they remain aware of the accruing loan.

I know the member for Cunningham has moved a second reading amendment. The coalition will not be supporting that amendment. We will be supporting the bill in its original form. I know she has a deep interest in trade. She was a TAFE teacher and I have served on the education committee with her. But this is part of a total package of measures by the government to fix the debt and deficit problems left by the previous government. It is in this context that I do support the bill in its original form.

The bill's immediate purpose, as I said before, is to make available loans to apprentices to help their cost of living and learning during the course of their apprenticeships. Australia needs a skilled workforce for its future competitiveness in industries like the air conditioning industry and particularly those industries that feed into our massive mining industry. We are constantly told that there is an overall shortage of skilled tradespeople in the economy. In Perth we certainly need these skills more than ever on the major construction projects going on everywhere you look in the city and of course across the mining sector.

The latest official data from the Department of Employment on skills shortages in Western Australia lists state-wide shortages in trades such as solid plasterers, stonemasons, roof tilers, panel beaters, locksmiths and electrical line workers—all trades that are needed in a growing economy. My son is working as a bricklayer at the moment. He is hoping to gain an apprenticeship in the next short while and he is very keen to take advantage of the loan. It has been described as an offset as there is a loss of the Tools For Your Trade payment of $5,500. But if they complete the apprenticeship there will be a $4,000 rebate if they take up the full $20,000 and over that period of time the $1,500 and the HECS-style loan will be greatly assisting them in achieving an income that tradespeople can achieve under the current system. If you look at some of the trades that are working in the mining industry, I am sure we would
be happy with the income they are receiving. They will be able to pay that back as a HECS-style loan.

I hear from constituents who try to find an apprenticeship place for their son or daughter but cannot as they are told there are no available places. Yet overall in Perth we are seeing a decline in the number of apprenticeships being started and completed. This bill hopes to encourage people wanting to be apprentices. The latest available statistics from the WA Department of Training and Workforce Development show a decline in apprenticeship commencements across all regions of WA of 10.1 per cent in the 12 months to the end of 2013. Apprentice commencements in electrical trades, for example, have fallen by about 17 per cent since 2011.

There is enormous interest in this bill, as we can see by the number of speakers. In the short time I have left I will wrap up by saying that what I am most proud about Swan is that there are currently 5,184 apprentices in the electorate of Swan, which is the fifth-highest electorate in Australia for number of apprentices. I guess that comes down to having a transport industry and over 20,000 businesses within the electorate of Swan. Of these 5,184, there are 2,103 undertaking an apprenticeship in a skill listed on the National Skills Needs List. They are supported by the Swan TAFE, which is in Carlisle in my electorate.

There are many members wishing to speak on this bill, and there is limited time remaining for the debate, given the need to get the support from those on the opposite side, have the legislation passed, and get it underway. We need to have this program ready to commence on 1 July 2014. The next speaker will give us passionate reasons why this should not go ahead and why we should support the amendment. The coalition will not support the amendment. I yield the call to the next member and conclude by commending the bill in its original form to the House.

**Mr FITZGIBBON (Hunter) (15:38):** I rise to support the amendment put forward by the member for Cunningham. It is welcome that all sides of the House are focused on what is a very important issue—that is, maintaining an appropriate level of skills in this country and in this economy and, on that basis, keeping us internationally competitive.

I speak on this bill with possibly more authority than most, having been an apprentice myself. I am an auto-electrician by trade and proud of it. If your car is older than about 1985, I am sure that I could still fix it for you. If it is more modern than that, then I might struggle a little bit with the new technology. I left school at 16. I did not like school all that much, I must say. I only ever wanted to do two things: a trade and to play first grade football for my hometown. These were two aspirations I achieved, I am happy to say. I was apprenticed by a wonderful couple by the name of Eryl and Marcia Lightfoot. They ran a workshop in my hometown of Cessnock, and I enjoyed the experience very much and am thankful to them for this day for that opportunity. After that, I went into my own business, which I operated with a partner, Greg Stacey, for around 10 years before going on to a less honourable trade called politics.

**Ms MacTiernan:** It would appear you have a private sector background, and your hands are dirty!

**Mr FITZGIBBON:** I have had my hands dirty, yes. I thank the member for Perth. I have been to TAFE and I did block release in those days, because auto-electricians were far and
few between, and obviously there was not a critical mass of apprentices to hold regular TAFE courses. So we would go off to Sydney for a week at a time—I suppose five or six weeks a year. Interestingly, in my earliest days, I stayed at the Villawood detention centre. If that does not highlight some of the struggles apprentices face, particularly earlier in their time as an apprentice, nothing would. I made a few mates there and we did not stay in the Villawood detention centre too many weeks. I think we found ourselves a caravan in Bass Hill. Support from the government to pay for the accommodation for the caravan would have been welcome at the time.

Apprenticeships are a complex area. I know those on the other side of the House like to say that they place as much value on apprenticeships as they do on a university degree. I place as much value on apprentices as I do on university graduates, but I do not know what the former statement means. I will keep trying to work that one out. But I know that it is a very popular statement, because members of the government know that people out of their own community like the idea of apprenticeships unfolding in the same way as they did historically, and they would like to see the government trying to rekindle that old environment.

Times change. In my day, apprentices finished apprenticeships. I do not understand for the life of me why 20 per cent do not get beyond the first year now and some 30 per cent, as I understand it, do not get beyond the second year. Years 1 and 2 are the worst paid of all as the employer gets virtually no return for your work effort, because you simply do not have the skills to be making a high-value contribution to the business or the workforce. But when years 3 and 4 come around, you are making a substantial and technical contribution and the employer is in a position to pay you more. If the government really placed the same level of value on apprenticeships as they do on university degrees, they would not spend so much of their time trying to drive down the wages of tradesmen. That is their mantra: 'We could be more internationally competitive if we could pay our workers less, including tradesmen.' There is a contradiction in that approach, and it is one worth highlighting for this chamber.

Having said that, we are talking about ensuring our international competitiveness by making sure that we have skilled people. We will not have skilled people if we do not indicate to them that after their apprenticeship there is a reasonable salary to be earned. That is what has to be kept in mind first and foremost. The member for Swan made the point that, too often, tradesmen, after completing their apprenticeships, are poached by other employers. In my own region, and in the mining regions generally, including in Western Australia, that is typical of the mining industry. I know it is a great source of frustration for those who secure and engage those apprentices. I would dip my hat to someone who came up with a solution for that economic dilemma, because I do not see one. We must continue to do all we can to bolster the supply of tradesmen through apprenticeships. This bill takes away one initiative the former Labor government had, to encourage people into apprenticeships and to complete their apprenticeships, and replaces it with another. I am not going to get into a debate today about which is the better system. I would like to think that most out there in the community do not care much, as long as we are working together to address what is a serious problem and a challenging issue.

I am happy to acknowledge that the government has factored into its scheme a 20 per cent discount in the final year of the loan payment as an additional incentive to complete the apprenticeship. There are some aspects of the loan scheme that concern me—like very young
kids being capable of raising a loan and therefore putting themselves into substantial debt for someone of that age, potentially without the authority of their parents. I understand that hasn't been clarified, and we need to watch these things very closely.

I know that it is very difficult to administer a policy design which requires the apprentice to spend the money on certain goods or services only. I accept that but I think this is a program that will need to be watched very, very closely to ensure that the money is not misspent and that young people do not find themselves in debt without completing their apprenticeships—a debt which the minister describes as interest free. But it is also a debt that is indexed to the CPI and therefore grows over the term of the loan, which I think is worth pointing out.

Regions like my own are often described as insufficiently diverse. This is a topic of conversation at the moment because, as we all know in this place, the coal prices have collapsed in the case of coking coal from $320 a tonne only 18 months ago to something like $120 a tonne at the moment. When the coal price falls and mining turns downward, we feel it in the Hunter.

I remind people that we are a very diverse economy in the Hunter. In fact, mining only makes up about 10 per cent of the economy. Our biggest contributors are of course the services sector—health and education, in particular. We have very significant thoroughbred breeding, agriculture, viticulture and tourism industries. We have got new growth industries like the CSIRO Energy Centre promoting renewable energies in our region.

We are struggling in manufacturing because we have difficulties with the dollar, and I congratulate HunterNet for recently organising a round table so that we could discuss how we might overcome those problems. Certainly for those employers, apprentices are an issue, apprenticeships are an issue, and we were told at that round table from a number of employers that they are employing nowhere near the number of apprentices they previously were. In their case, it is about the state of the manufacturing sector but it is another reminder that we must constantly work on keeping up the supply of apprentices.

In the good old days, BHP steelworks trained thousands and thousands and thousands of apprentices—I forget the number; I know it was in the thousands every year. They not only trained apprentices for themselves but provided tradesmen for the whole valley, including the mining industry, and they are no longer there. We need other broader policies to ensure that employers take on the responsibility of training apprentices. The coal mining industry does it to an extent, but I think they could do more.

The other point I would like to make is that we need training providers for these young people. In the Hunter Valley providers like Hunter Valley Training Company have popped up and is now very effectively and efficiently providing some of that training, but in all regional areas we need public institutions. We need a strong TAFE system that both employers and apprentices can rely on to secure the training they need to bring a young apprentice from day one on the broom through to a fully-fledged apprentice.

I do not oppose the loans scheme. I am concerned about the indebtedness for some kids. I am hopeful that the government will watch closely to ensure that it does not run out of control. I think government members have to acknowledge that you will not encourage apprentices into trades while you are telling people the best way to fix all the ills of the economy is to pay people less. More broadly, you need to have training institutions in place.
that kids in regional Australia can access. It is not like the capital cities where you can get a bus around the corner and find yourself a TAFE place or a place with a private training provider; sometimes the training facilities can be a long way away as was the case when I was a kid.

Governments need to focus on public institutions like TAFE, because the reality is that these will not always be viable concerns. If it is all right to subsidise loans to kids to encourage them into apprenticeships and to complete their apprenticeships, then it is all right to subsidise TAFE training courses that at the end of the day will form the basis of our skills model here in this country.

I think there is a very strong message for governments at both the state and federal level to recognise the importance of our TAFE system, the efficacy of putting public money into structures that provide outcomes like tradesmen and therefore the need to ensure that our TAFE system is adequately funded.

Again, in the second reading amendment I think the member for Cunningham made some very good points. The government made no mention of getting rid of Labor's program prior to the election so that makes this bill officially another broken promise on the part of those on the other side.

But they are in government. They say they want to bolster the supply and completion rates in apprenticeships. We certainly will not stand in their way. They believe a loans system is a better way to go. We thought that our Tools For Your Trade system, a cash payment to kids, for the same reason was adequately doing that job. I suppose the proof will be in the pudding. We will know in a few years time which scheme worked more effectively. We will not stand in the government's way of changing from one scheme to another and rebadging the scheme, so I suppose they can claim credit for it, if it goes well. We will be reminding them, if it goes badly. On that basis, we will not be opposing the bill in this case.

Mr BALDWIN (Paterson—Parliamentary Secretary to the Minister for Industry) (15:51): The aims of these bills, the Trade Support Loans Bill 2014 and Trade Support Loans (Consequential Amendments) Bill 2014, are to help address apprentice drop-out rates, to improve completion rates. We have a duty of responsibility as a government to get people job ready, job steady, to infuse them with the skills and, in particular, to encourage, support and develop young people in the completion of their apprenticeships.

The current scheme is clearly not working. The evidence shows that young people are not completing apprenticeships. In fact one out of two fails to complete an apprenticeship. The facts of the matter are: this government has decided to invest $1.9 billion in loans over the forward estimates at a cost of around $439 million over the forward estimates. The member for Hunter, the previous speaker, said that this was a broken promise because we had said nothing before the election. That is not true in any way, shape or form. This was one of our key priorities going into the election. It was a key priority. I remember the announcement well—the $20,000. So to say that—

Mr Fitzgibbon: What? Abolishing Tools For Your Trade?

Mr BALDWIN: Member for Hunter, you are absolutely wrong on this one. You cannot cover it up. We made it very clear that we would be replacing the program.
Secondly, Ms Bird, the shadow minister, said in this debate that she did not understand how young people would be able to afford their uniforms and their tools. The reality is that this program delivers $8,000 to first year apprentices. The reality is that young people will actually be better off in their first year. It will be paid monthly in arrears and it is an opt-in process. If people do not want to engage in this loan system, they do not have to take it up and they can opt out at any six-month renewal.

We need to incentivise the completion of apprenticeships. We will achieve this by offering a 20 per cent discount to those apprentices who complete their apprenticeship. Over the full scheme that is the equivalent of a $4,000 rebate. NCVER did a survey in 2010 that found that 38.7 per cent of apprentices leaving trades did so because of the associated wages in the early years of an apprenticeship. I can reflect on that. I am a tradesman myself. I was an apprentice fitter/toolmaker. I can remember the princely sum I earned as an apprentice—admittedly this was more than one or two years ago—of $10 a week. That was pretty hard to get by on, but jobs were plentiful and opportunities were great.

Today cost-of-living pressures are a lot higher and it is arguable that wages paid to apprentices would not meet the true costs of living for those people but, as other speakers have said and many more will say—and from my experience as both an apprentice and a tradesman—most first year apprentices are a liability to the company. In the second year they are less of a liability but are still a liability because they are not generally producing a profit for the company. It is only when they get to their third and fourth years that they are assets in that they are bringing in a return to the company. Apprentices are a long-term investment by a company. We the government are prepared to co-invest in that. We will provide $20,000 through the trade support loans, with $8,000 being paid in the first year, $6,000 in the second year, $4,000 in the third year and $2,000 in the final year. This investment of taxpayers' money will deliver a real, measurable outcome.

We want to see an end to the dropout rates. I will give you some examples of the dropout rates that have been put to me. Let us look at the rates for automotive and engineering, which is ANZSCO grouping 32: in 2006, 51.5 per cent completed their apprenticeship; in 2007, 49.5 per cent; and in 2008, 50.1 per cent. For electrotechnology the completion rate was 57.6 per cent in 2006, 57.1 per cent in 2007 and 54.1 per cent in 2008. Let us look at hairdressing: the completion rate in 2006 was 37.7 per cent, in 2007 it was 38.9 per cent and in 2008 it was 37.8 per cent. That shows there is an inherent problem in the system.

Employers cannot afford to pay higher wages for first year apprentices. That is why the government needs to step in and provide support. Because it is a loan the money can be used at the discretion of the participants in this loan program. It can be used as a wage subsidy, to buy tools, to make an investment or to save up for a ute if they are a builder or the like. The reality is that we have to do something different because we have to deliver a real outcome, and that outcome will be measurable improvements in completion rates for all apprentices.

I will curtail my comments there because there are a lot of speakers. It is important that these bills go through so the program can commence on 1 July. I encourage members opposite to get behind this, to support it, particularly if they want to see completion rates in apprenticeships improved. I commend these bills to the House.

**Mrs Elliot** (Richmond) (15:57): I rise to speak on the Trade Support Loans Bill 2014 and the Trade Support Loans (Consequential Amendments) Bill 2014. As we have heard,
these bills establish the Trade Support Loans Program for Australian apprentices. These loans will be concessional and income contingent with a lifetime limit of $20,000. The loans are repayable when the individual's income reaches the Higher Education Loan Program, HELP, repayment thresholds. The bills also provide for a 20 per cent discount to be applied to the loan incurred when the apprentice has successfully completed their apprenticeship.

I have a range of concerns about this government's approach generally to training and some of their cuts to education, particularly how they relate to many of the broken promises we have seen since the election. Prior to the 2013 election the Prime Minister announced the trade support loan, but he failed to tell apprentices and their families that he intended on scrapping Labor's $1 billion Tools For Your Trade program. He failed to tell those considering an apprenticeship that the $5,500 per apprentice under Labor's program would be axed. Our program was in recognition of the significant costs that apprentices often have for items such as uniforms, tools and the necessary safety equipment. They often have a whole range of significant costs.

We have seen this broken promise. We have seen a lot of broken promises throughout the budget and, in terms of what we had in place for apprentices, there certainly was another in this case. Before the election the Prime Minister had promised Australia's 400,000 apprentices more financial assistance to help them learn their trade and then find a really good job. But now, after the election, he is ripping away some of that support and breaking that promise in taking away the Tools For Your Trade program. What was equally disappointing was the industry minister's response to all of this—saying that it did not really matter because, under that other program, the apprentices were just spending their Tools For Your Trade money on tattoos and mag wheels. Quite frankly, this is very insulting; that is certainly what a lot of apprentices and their families have conveyed to me. It is incorrect and it shows how out of touch he and the government are when it comes to issues relating to training.

The fact is the government has replaced the payment we had in place with a debt. Apprentices cannot now buy their equipment without taking out a loan. They will have no choice but to sign up to the loan because the government has left no other financial support in place. As the shadow minister, the member for Cunningham, has said, Labor will not oppose the Trade Support Loans bill, but she did move an amendment. I understand that amendment includes a request that the House notes that the government has failed to: advise apprentices that they would be abolishing the Tools for Your Trade program, thus leaving Trade Support Loans as the only form of assistance for the purchase of tools; adequately explain in clear language the interest rates and full liability of these loans; offer adequate protection for school based apprentices aged under 18; offer fair and reasonable transition arrangements for current apprentices; put in place adequate privacy protections for the large volumes of information that will be acquired through the Trade Support Loans Program; and offer apprentices the option of lump sum payments in order to purchase expensive items. These are all very good amendments in relation to this matter.

Youth unemployment is unacceptably high, particularly in regional communities like mine on the North Coast of New South Wales. The Prime Minister has said that our young people must earn or learn, but he is taking away so many of the programs which actually support them to do so. These comments were echoed recently in The Australian when Tony Nicholson, the director of the Brotherhood of St Laurence, made the point that the earn or
learn requirement demanded of young people requires the government to provide support and training programs to assist young people gain the skills they need in the workplace.

The fact is the Abbott government has taken the axe to support for so many training programs for apprentices. There is a whole range of programs. As well as axing the Tools For Your Trade program, they have axed the Australian Apprentices Access program, which assisted vulnerable job seekers who found it difficult to enter employment with nationally recognised prevocational training support and assistance. This program was delivered by local providers who worked with local employers to deliver training to meet industry needs. Participants received individualised, intensive job search assistance.

Also axed was the Australian Apprenticeships Mentoring program which targeted apprentices who may face barriers to participation. Mentoring programs usually focus on that first year of training when, as we know and have heard today, apprentices are often at the most risk of withdrawing from their apprenticeships. Also axed was the Apprentice to Business Owner program which helped tradespeople who had completed their trade training make informed decisions about whether or not to start a business. The program provided business management skills to ensure participants have sound financial business plans and meet the requirements associated with employing staff. There was a whole range of programs.

The Abbott government have demonstrated they really do not understand the need for these important training programs. What they have slashed is a billion dollars in investment in skills and training for our workforce. I will read through some of these, including some of the ones I mentioned before; it is quite a long list. There are programs like the National Workforce Development Fund; the Workplace English Language and Literacy program; the Australian Apprenticeships Access program; Accelerated Australian Apprenticeships program; Australian Apprenticeships Mentoring program; the National Partnership Agreement on Training Places for Single and Teenage Parents; the Alternative Pathways program; the Apprentice to Business Owner program; the Productive Ageing through Community Education program; and the Step into Skills program—a whole range of programs that focused on upskilling existing workers to meet the needs of the modern workplace.

What is also a concern with the introduction of this bill is it raises a whole series of questions in terms of what the impacts will be, particularly in rural and regional areas. Will horticultural and agricultural students, who have lost their Tools For Your Trade grants, be eligible for Trade Support Loans? Another important question is: will parents now be responsible for a 16-year-old school based apprentice's $20,000 Trade Support Loan? In Senate estimates, the government confirmed they are looking to outsource debt management for Trade Support Loans. Realistically, is the government happy to potentially saddle young apprentices with $20,000 debts and leave them in the hands of private debt collectors? This raises a whole host of concerns as well.

We know that many apprentices have huge start-up and continuing costs for necessary tools and equipment but now they will be left with the debt under the Abbott government's program, rather than being provided important funds to purchase tools and get going in their chosen trade.

By comparison with all this Labor, when in government, put in place real support to help young people—particularly those in regional and rural Australia—to get in and finish an apprenticeship and undergo training. What we are seeing is this government gradually ripping
away a lot of that support. We are also seeing very harsh actions by state Liberal and National Party governments, who are making massive cuts right across education. They are very harsh cuts in terms of slashing resources and funding for TAFEs, which provide such a great training resource, particularly for younger people in regional areas. We have seen them cutting many courses. We have seen them closing campuses. We have seen some real concerns about fee increases. We have seen staff numbers cut. This could have a devastating impact. I know first hand what a great job TAFEs do in my area, the North Coast of New South Wales. There is an outstanding network of TAFEs there that really provides fantastic training for our young people. All that is under threat from the actions we are seeing from both federal and state governments.

It was great to see last week the Leader of the Opposition in New South Wales, John Robertson, announce some Labor policies to protect TAFE. It was fantastic to see those initiatives. He said that, if elected in New South Wales, Labor will abolish the Baird government's massive fee hikes to TAFE courses. He went on to say: Labor will always treat TAFE is a central part of our public education system … We will stop the mass sackings, cuts to courses and the massive fee increases to ensure we have a fair and affordable vocational education and training system in New South Wales.

I commend the Leader of the Opposition for his very strong action in terms of the initiatives that Labor would introduce if in government in New South Wales, because it has been devastating to see what these cuts have meant to students right across the state—particularly for those in regional areas like my own.

It is only Labor that has properly provided funding for education and training right across the board. From this government we tend to see ongoing cuts in the training and education sectors. We were devastated to see in the budget those broken promises—that $80 billion in combined cuts to hospitals and schools is a major amount; some of those cuts to education will be devastating for younger people. Also of major concern in terms of accessing education was the deregulation of university fees. This has had a major impact and many people have raised concerns about what that will mean for families—particularly, again, from regional areas. Before the election the Prime Minister and all his then shadow ministers were saying, 'We will ensure the continuation of the current arrangements of university funding.' That has been a broken promise because the budget cut $5 billion from university funding, resulting in forecasts for fee rises of 40 to 60 per cent just to recoup the shortfall. We have also seen the government impose an interest rate of up to six per cent on those debts and the deregulating of universities, which makes it absolutely inevitable that fees will rise. That is a concern that many people have approached me about, particularly families who are so worried about how their children will be able to access university, knowing that it will be out of their range. We have seen some forecasts of jumps in fees that are quite frightening. Of course, there are often so many associated costs for people from rural and regional areas to even access a university, so those increases will add to that. It is a really big concern, not just from the perspective of a broken promise but because it means people from regional areas are more disadvantaged in being able to access any educational opportunities.

What we have seen across the board is this government cutting so much funding for training and so much funding for education and higher education. It is disheartening and upsetting, firstly to see a broken promise and then to see how it impacts people, particularly
younger people, who will not be able to access adequate training. I am particularly worried about how the trade support loans will saddle younger people with huge debts they will have to carry and that will have a huge impact on their lives. That is combined with some of the massive TAFE cuts that we are seeing right across the states. We are certainly seeing that in New South Wales, where it is a big concern. Overall, it shows that the government is out of touch in so many areas. We saw that throughout the budget, with the cuts to pensions and to health, but education has been one of the biggest areas of concern that shows how out of touch the government is about being able to providing for people, particularly younger people, right across the country.

Contrast all of that with what Labor did in government with our focus on education. I certainly saw that in my area, particularly through the Building the Education Revolution. More than $115 million was invested in 90 schools. We see every day what a positive benefit that has been to young people throughout the North Coast. In contrast, we are now seeing a government that is ripping away so much support for education and for funding.

Labor are supporting this bill, as I said. We have moved the second reading amendment which contains proposed changes that we think are particularly important, especially those that provide protection for school based apprentices. There is a growing interest in school based apprenticeships, which are being accessed by a lot of younger people and we want to make sure that protection is in place for them. That is why all of these proposals are very worthy ones. We have to have a fair and reasonable transition arrangement to make sure those apprentices are properly looked after. The adequate privacy provisions are also very important, given the large volumes of information. But what concerns us most is that the government are abolishing the Tools For Your Trade program. I think it was such a good program to have in place, so it is a real concern that that is happening. We will be supporting this bill, but these proposed changes are vitally important, particularly from the perspective of clear language relating to interest rates and the full liability for these loans. When it is much younger people who will be taking up these loans, it is very important that they are fully aware of the ramifications of what they are signing up for. That is why I am focusing on the importance of the proposed amendment to this bill.

Dr STONE (Murray) (16:11): I very strongly support this Trade Support Loans Bill 2014 and the Trade Support Loans (Consequential Amendments) Bill 2014. In fact, I think the Trade Support Loans scheme is one of the best things we introduced in the budget and I am so pleased that it is likely to commence and at last give our trade trainees some semblance of a decent income, as early as July this year.

I am amazed by the previous speaker, the member for Richmond, whose main complaint was that we had done away with a lot of the old regime of trade training in Australia! Well, thank goodness we did, because we had the number of people turning to trades as a career in Australia on a steadily declining trajectory and less than half of our trainees in trades finished their qualification. There was something seriously wrong. I think it began in Victoria in particular when a Labor state government decided that they would abolish the old technical secondary schools. The idea was that if you were in a tech school you must be an inferior student and you would surely therefore be better off, in terms of feeling good about yourself and learning a decent set of skills for a future career, if you went to what they then named a secondary college.
Tech schools were abolished and everyone was supposed to go along to these secondary colleges. Technical teachers right across the state lost their jobs. All the great equipment that was used in automotive training, carpentry, plumbing and boiler making was lost to the system. Labor rejoiced because they had a one-stop shop for all students in secondary schooling in Victoria. That was the beginning of the rot—it set in from that point. Right now the coalition government are trying to reinstate technical training in schools with our trades training centres. I am very pleased to have a number of these being established in the electorate of Murray, but they have nothing like the comprehensiveness and very local access that we used to have with the old technical schools.

We know it is incredibly hard for a young or even a middle aged or mature aged trainee in a trade to survive on the current wages that are paid. What we are introducing with this bill is a fantastic opportunity to almost double—to increase by 40 per cent—the income of a trades apprentice so they can survive even if they do not have supportive parents or they are not living at home or they are mature aged with perhaps a partner and children. They will have up to $20,000 in, of course, a completely voluntary loan which will be indexed in line with the CPI. The apprentices will be paid amounts totalling $8,000 in the first year of their apprenticeship, $6,000 in the second year, $4,000 in the third year and $2,000 in the fourth year. These loans will be repayable under arrangements very similar to the Higher Education Loan Program, or HELP. In other words, you do not start to repay your debt until your income reaches a certain threshold.

This is about the coalition recognising that we should not have two standards when the country is considering the needs of our up-and-coming skilled people in the next generation. For a long time we said people getting university degrees were eligible for HECS loans. We said that university students could also have special loans available through the universities themselves. Now we say: so should trainees in trades. Of course they should. This is, I think, a great step. It should, for the sake of so many of our trade trainees, have happened a long time ago.

The previous speaker lamented the loss of the $4,000 tool-kit grant, which was Labor's best effort. Those tool-kit grants were able to be claimed early in the apprenticeship and there was no accountability—there was no requirement that a receipt be forwarded to anyone to show that the apprentice had actually bought tools with this grant. As I say, the vast majority of apprentices gave up on their apprenticeships very early in the piece, which was very disappointing. I suppose it was like the pink batts program, cash for clunkers and GroceryWatch: a good idea from someone all of a sudden, but, with the way Labor managed it, it did not give the individual any better way to live on their very low salaries. They, hopefully, got a box of tools, but it did not keep them in food and fuel for their vehicles.

This is an extraordinarily important bill. I am pleased to note that, in my electorate of Murray, there are 3,055 apprentices in training. I have to say that the majority of the apprenticeships being undertaken are not on the National Skills Needs List. I hope more of our young Australians become familiar with that list when getting career guidance. These $20,000 loans will be available in particular to those who are undertaking an apprenticeship that is on the priority occupation list—but, for the benefit of the previous speaker, who never does her homework, yes, they are also available to agricultural and horticultural apprentices. Yes, they are. It would not have taken much to look that up.
I strongly support this bill. It is going to make a huge difference to the numbers of people who will then be able to support themselves—in fact, live—on the very low apprenticeship wages. I hope it will give them better direction as to which trades are most in need in Australia. I hope more women can take up apprenticeships in what have traditionally been male gender dominated areas like construction and automotive. I certainly am most concerned that, as expressed by the previous speaker, the member for Richmond, we still have this denigration of trade training in Australia where we say it is second rate—'It's not as good as university education, so, no, you shouldn't have the support from the public purse that we have been offering university students for a very long time.' I commend this bill to the House and very much look forward to the program commencing in July.

Mr NEUMANN (Blair) (16:17): I am pleased to support the Trade Support Loans Bill 2014. The budget coincides with the country shows that I do every year in my electorate. I have been to Kilcoy, Marburg, Toogoolawah, Esk, Lowood, Ipswich and, last week, Rosewood, and I can say that people are very anxious about the budget. They are very anxious about the changes that this government intends to make. They feel deceived by this government. I have spoken to pensioners, self-funded retirees, young mums, students as well as businesspeople who feel very much aggrieved at what they are experiencing. Last weekend, at the Rosewood Show, I spoke to people furious about the $7 GP tax.

Mr Tony Smith: Mr Deputy Speaker, I rise on a point of order. The member does need to at least address the substance of the bill before the House. I thought he was beginning a preamble; it is turning into a treatise. There are many opportunities in the House for him to give his opinion and his experiences at all of his country shows—and we all in outer metropolitan and rural electorates go to those—but this is about the Trade Support Loans Bill and he has to at least make reference to it.

The DEPUTY SPEAKER (Hon. BC Scott): I thank the member for Casey and I remind the member for Blair to confine his remarks to the bill before the chamber.

Mr NEUMANN: If the member for Casey had seen my notes, the next sentence says that I had spoken with young people about their apprenticeships. So he got in a moment before I was about to turn to the substance of the bill, but I thank him for talking about my preamble and reminding my constituents of the many mobile offices I conducted in the last month or so.

These apprentices who have spoken to me are very concerned over what they are experiencing, but I also have spoken to many mums who have discovered that the Tools For Your Trade program has been cut, leaving their sons and daughters stranded in their apprenticeships. I received an email from an apprentice baker in my electorate and it is pretty typical of what my office have received and the feedback we have got in relation to the budget measures that are before the chamber today. It is an email from a guy called Adrian Lowe. This is what he writes in his email:

My name is Adrian Lowe. I'm 28 and an apprentice baker,
I have 3 children and a stay at home wife due to our youngest is a new born
My apprenticeship is up at the start of November which means I will not be getting any of the money promised to me for completion of the apprenticeship.
I am out of pocket almost $2800 which would have helped if I cannot secure a new contract as a baker at my place of work
The money would have help pay bills in between jobs.
Not to mention I signed a contract with the government to complete my apprenticeship and they will help me to do so financially.
That is pretty typical of the response that I have received at the many mobile offices I referred to and that my office has received as well. We have been contacted by registered training organisations concerned about the impact the axing of the Tools For Your Trade program will have on their apprentices and also about the substance of the bill before the chamber.

The government proposes to provide trade support loans for Australian apprentices. These loans will be concessional and income contingent, with a lifetime limit of $20,000, indexed from 2017. They are repayable when the individual's income reaches a certain level, equivalent to the higher education loan repayment threshold. It is available to young apprentices aged 16 to 18 years. There is a discount to be applied to the loan upon the Australian apprentice successfully completing the apprenticeship. In my office, as I said at the beginning of my speech, we have seen anxiety as a result of the changes this government is bringing in. Apprentices in their second, third or fourth years of their apprenticeships had budgeted for their Tools For Your Trade payments that are not going to be paid. These apprentices often had instalment payments on a car or other types of commitments that they had made. They were struggling on low wages and were trying to educate themselves and get the kind of training and education they needed to enhance their skills, talents and abilities to get the job they wanted in the future—as a carpenter, an electrician, a plumber, et cetera.

There is concern and confusion from these apprentices, their families and the training organisations about Trade Support Loans. And I have spoken to people like Anita Dwyer, from Apprenticeships Queensland in my electorate. I spoke to her recently one Saturday—at the Ipswich Cup, to be honest with you—about the impact on her organisation and, particularly, on those apprentices that she deals with each and every day. Anita is currently the President of the Ipswich Chamber of Commerce as well, so she is well qualified to talk about the impact on apprentices of these budgeted changes.

Australian apprentices had no idea that the now Prime Minister intended to scrap the Tools For Your Trade program prior to the 2013 election. They might have heard a bit about his Trade Support Loans—a loan, a debt. And they might have seen him spruiking on the TV in his hardhat, his safety vest—the high-vis orange vest—about the loans, surrounded by apprentices. Oddly enough, he failed to mention these intended loans were to be the only income support that his government would offer apprentices.

On 26 August 2013 in *The Sydney Morning Herald* it was reported that the now Prime Minister visited a mechanical manufacturing firm in North Brisbane. And he was talking up his loan scheme. The Tools For Your Trade was not mentioned until the final link of the *Sydney Morning Herald* story, which says:
The coalition loans will be made available in addition to the commonwealth Tools For Your Trade incentive scheme, a spokesman for Mr Abbott later confirmed.
They were an optional extra. But now they are a substitute. So which was it? Before the election they said one thing; after the election they said another. That is pretty typical of this government—'no changes to pension', 'no cuts to education', 'no cuts to health'. It is typical of this government to say one thing before an election and do another thing afterwards. Either
way, they believed they had a choice in relation to Trade Support Loans or, indeed, Tools For Your Trade.

Apprentices, like so many others, have been hit by this government's budget. They learnt the truth on budget night. And it would have come as a real shock to a lot of people, as it did in my electorate of Blair. The Prime Minister cut $2 billion from apprenticeship support payments and investments in skills training targeted at apprentices. The Tools For Your Trade program was cut. We have seen $1 billion taken out. On top of that—as I mentioned earlier today in a 90-second speech—we saw $950 million stripped away from trade training centres. I have about four in my electorate and they are terrific with the work that they do. They get young people prepared for apprenticeships and prepared for the workforce—real-life experience, partnering with industry and with organisations like Apprenticeships Queensland. And earlier today I mentioned we had the Ipswich Region Trade Training Centre, and that Apprenticeships Queensland is partnering with Ipswich State High, Bundamba State Secondary College, Lowood State High, Bremer State High and Rosewood State High. That is the kind of thing that makes a difference—genuine partnership with schools, with providers, with apprentices.

What this government has done is actually to trash its credibility across this space. Apprentices in later years of their apprenticeships, or those about to complete, will now miss out on these expected payments. They had thought they were going to get them. The comprehensive range of targeted vocational programs for assisting apprentices to find, keep and thrive in their apprenticeships will be cut. Those opposite did not have the fortitude and integrity to actually tell apprentices before the election what was going to happen. So, many of them would have voted thinking that they had options, and they did not. That is the reality.

We have seen, of course, the minister make some interesting comments about apprentices wasting their money. In fact, the Minister for Industry, Mr Macfarlane, actually gave short shrift to any complaints in relation to this. And he said in Fairfax Media on 17 May this year: We've got evidence that they— referring to apprentices—were spending the money on tattoos and mag wheels for their cars, and birthday parties. It is not often a minister feels he can so arrogantly denigrate those whom his legislation will now adversely affect. It is extraordinary that that is the case.

In contrast, by the way, was the minister's statement in the second reading speech: Some of us see a skill and a trade as equal and as important as a degree at university, and we as a government will do everything we can to ensure that those opportunities are made available. Is the minister suggesting that all apprentices were wasting their Tools For Your Trade support payments? Does he really think that the Tools For Your Trade was propping up the tattoo industry? Is that his real perspective? He might have a different opinion if he spoke to the apprentices in my electorate in South-East Queensland who contacted me. He should not insult young people in this way.

One of the justifications for this government scrapping the Tools For Your Trade is its belief that apprentices were wasting their payments perhaps on tattoos, mag wheels, parties or something else. We designed the Tools For Your Trade program when we were in government to provide initial payments to assist apprentices with significant costs—tools,
uniforms and vehicles—at the start of an apprenticeship which might present a deterrence to them commencing. The minister complained on 17 May 2014 that they certainly did not have receipts for their tools. Perhaps the minister can direct us to the section in the Trade Support Loans Bill which requires a receipt for the purchase of apprenticeship-related items in exchange for a Trade Support Loan payment. I bet he cannot. Surely the minister has prohibited tattoos, mag wheels and party products in the legislation. He has not. He cannot because there are no such restrictions or requirements in relation to the bill.

The government’s main argument for the introduction is this will improve completion rates of apprenticeships. But, in fact, that is not the case. We all agree that apprenticeship completion rates are too low. But they do not understand that the 2010 Apprenticeships for the 21st Century Expert Panel provided a detailed report in relation to this issue, and talked about the challenges and the complexities in relation to it.

The expert panel reported considerable qualitative research that identified four recurrent issues contributing to non-completion: workplace or employer issues, lack of support, low wages and not liking the work. The panel identified problems with the workplace or employer as a cause of ‘a significant proportion of attrition in apprenticeships and traineeships’.

Mr Baldwin interjecting—

Mr NEUMANN: That is what the expert panel said. On page 24, if the interjector wants to read it, it says that workplace and employer issues were wide-ranging including ‘excessive unpaid overtime, too few hours, not being allowed to take breaks, or not being paid correctly are common concerns’. It went on:

Personal safety concerns through both workplace bullying and unsafe work practices are also relatively common.

The panel reported, on page 35, research suggesting that workplace or employer issues are ‘of critical importance in the early stages of an apprenticeship or traineeship as they often have an immediate effect’. This lack of support inside and outside the workplace is consistent with the non-completion rate research. Although wages were another factor that the expert financial panel identified, even after the 2013 Fair Work Commission decision that dramatically raised apprenticeship wages—those opposite did not like it at all—apprentices remained fairly relatively low-paid workers.

The expert panel identified considerable debate about the extent of their impact. While low wages play some role in the decision not to complete, it is rarely the prime reason. Where wages were a reason for non-completion it was often due to a concern about wages anticipated when the apprenticeship was completed rather than the wages during the apprenticeship itself.

Finally, not liking the work was another reason for non-completion. The expert panel reported that many of these issues involved a lack of understanding by the apprentice as to what their apprenticeship entailed and the expectation of the employer.

The expert panel identified many issues, but those opposite ignored the advice. They do not like experts, whether they are scientists or climate scientists—or anything to do with innovation and research. They do not like experts and they ignored the expert panel in relation to this. There is no evidence at all that the half billion dollars that they are spending across this area will make a difference.
We targeted programs in the Australian Apprenticeship Mentoring Program and the Australian Apprenticeships Access Program. Those on the other side of the chamber have cut funding. There is a whole range of funding that they cut, including $2 billion in the skills program, over $1 billion directly supporting apprentices and a whole plethora of organisations. Those on the other side of the chamber should hang their heads in shame in relation to these matters.

Mrs McNAMARA (Dobell) (16:32): I rise to support the Trade Support Loans Bill 2014 and cognate bill. As the member for Dobell, I am committed to increasing local employment opportunities for our school leavers and job seekers, and to providing real support for apprentices on the Central Coast. Increasing the support offered to apprentices is crucial if we are to encourage more job seekers to take up, and, importantly, complete apprenticeships.

This government is committed to building a high-quality and nationally-consistent Australian apprenticeship system which responds to the needs of employers and the economy and which supports apprentices. Trade Support Loans have been developed to specifically address the needs of young job seekers wanting to undertake apprenticeships, and to reverse the trend of falling apprenticeship completion rates.

Unfortunately, apprentices have been let down by the former Labor government, who failed to provide them with the necessary support to complete their apprenticeships. Over the past decade, only half of those who commenced an apprenticeship, attained their qualification. Measures introduced by the former Labor government failed to address this damning statistic. This just is not good enough. Trade Support Loans provide real support for apprentices to complete their skills training and provide stronger incentives for young Australians to become apprentices.

The introduction of Trade Support Loans will see more apprentices in the Australian workforce, meaning there will be a greater capacity to fill the diverse and changing needs of our modern Australian economy. Specifically, Trade Support Loans are designed to assist apprentices with the costs of living and learning during their apprenticeships. For an individual, failing to complete an apprenticeship can be damaging to their self-esteem and often carries a financial burden. For businesses, a non-completion represents an unfulfilled investment, which, in trying economic times, can be a disincentive to providing opportunities to young people.

These factors shape our commitment to building a high-quality Australian apprenticeship system which supports apprentices and responds to the needs of employers and the economy. As a government, we acknowledge the need to support young job seekers commencing apprenticeships. Trade Support Loans will encourage a greater take-up of apprenticeships and will provide ongoing support to apprentices. Analysis undertaken by the National Centre for Vocational Education Research indicates that the main cause of non-completion is low wages. This is particularly true in the early years of an apprenticeship, accounting for one quarter of all non-completions.

This government's Trade Support Loans specifically target the cause for low completion rates. Significantly, our Trade Support Loans are a hand up, not a handout. Trade Support Loans replace the former Labor government's unsustainable Tools For Your Trade, which failed to provide adequate support to apprentices. Trade Support Loans provide apprentices with the flexibility required to support their training and studies. Apprentices will have the
discretion to use their trade support loans as an income supplement to purchase equipment and tools, to support their studies and to cover external course fees. An apprentice can also elect to use their Trade Support Loan to start up their own business at the completion of their apprenticeship.

In my maiden speech, I spoke of our duty and obligation to the young people of Dobell to plan for their future skills and employment. In Dobell, one in two students obtain Year 12 qualifications and only 14 per cent of people aged 17 to 22 years are engaged in tertiary education. As of April 2014, there were 8,534 people undertaking apprenticeships across the Central Coast and Hunter region. This figure represents approximately 16 per cent of all people undertaking apprenticeships in New South Wales. It is estimated that there are currently over 4,000 people seeking an apprenticeship or training on the Central Coast.

The former Labor government's economic mismanagement has resulted in a distinct lack of opportunity for apprentices on the Central Coast. Working with local businesses, we must actively encourage the employment of apprentices and support employers who provide such opportunities.

Karen Drinan, a small-business owner, believes Trade Support Loans would be beneficial to an apprenticeship as they would assist with the costs associated in completing an apprenticeship. Karen stated:

Unfortunately for many apprentices, wages are low until their third or fourth year. These Loans will assist apprentices with costs such as tools, TAFE fees, transport and everyday expenses—which will increase their ability to stay in an apprenticeship.

One of Karen Drinan's current apprentices, Mark Dumpleton, is due to complete his apprenticeship in October. Mark has welcomed Trade Support Loans, saying that if he had had access to the loans at the commencement of his apprenticeship he would have used the Trade Support Loan to supplement his wages and living expenses, such as his car registration.

Trade Support Loans have also won support from group training organisations who specialise in matching young people with apprenticeship opportunities. Michael Bennett, Chief Executive Officer of HTN, a leading group training organisation in the hospitality industry, has welcomed the announcement of Trade Support Loans, saying: 'The Trade Support Loans will provide much needed support to young people completing an apprenticeship.' Greg Best, General Manager of Central Coast Group Training, has called Trade Support Loans 'one of the most significant and progressive policy initiatives in the past decade'.

The introduction of Trade Support Loans will offer the required level of assistance to apprentices and help reverse the trend of increasing non-completion rates. This is central to our commitment to build a high-quality Australian apprenticeship system that supports apprentices and responds to the needs of employers and the economy. Locally, our future productivity and competitiveness depend on a highly skilled and trained workforce.

I am personally committed to supporting our young job seekers as they undertake apprenticeships. I commend this legislation to the House.

Ms RYAN (Lalor—Opposition Whip) (16:39): As many in the House know, before I joined this place I was a school principal. I am also the mother of three sons, two of whom have been apprentices. As a teacher and principal, I worked with students and my own
children to plan and secure work placements that would build their skills and give them the best chance at securing a trial for an apprenticeship.

This meant writing to or ringing local tradespeople, sometimes up to 40 plumbing companies. I worked to enrol students in VET and TAFE courses to pursue training, work placements and certification to boost their chances of securing an apprenticeship. As a year-level and senior-years co-ordinator, I was responsible for cohorts of students’ pathways and work-experience engagements, trade tasters and work-ready programs. I saw the pride in the young students I taught when they secured an apprenticeship. As a mother I shared, in a much more personal way, the excitement and promise an apprenticeship creates. An apprenticeship was their pathway to the future, a secure qualification that set them up.

I know too, first-hand, that being an apprentice is hard. The minimal trainee wage is hard to live on. Most continue to be supported by their families whilst an apprentice. The families in Lalor work hard, often for a modest wage, but they are mostly happy to support their children in this way, where they can. In addition to receiving a training wage, apprentices often have other financial pressures placed upon them. They may need to contribute to the cost of their TAFE courses, incur travel costs and purchase tools.

The Tools For Your Trade program went some way to addressing the monetary pressures faced by apprentices. No-one really likes lending their tools! Small businesses found it difficult to ensure the apprentices had the right tools to make a useful contribution. Tools that are for general use are often not cared for like tools you may own yourself. That is why this program was so valuable. I know from my own home the excitement this program created—the message it sent to young people that their work, their commitment to their trade, was valued by the community, that the community had a vested interest in their success and completion.

A young carpenter, mechanic, landscaper, electrician and pastry cook, to name a few, all rely on specialist tools to do their work. The Tools For Your Trade program meant that apprentices could purchase tools whilst training. These tools enabled them to become more productive employees and also to value and care for their tools. We know there is a skills shortage in Australia and that is why we must ensure a vibrant and active apprenticeship system is in place.

It is not easy to take on a young trainee in a small business. It places an administrative responsibility on the business, and not every apprentice ends up being a good fit for an employer. Over the years there have been lots of programs to support businesses and apprentices to make the skilling pathway easier. We have seen, in recent years, an over-reliance on the 457 visa to fill skill shortages. Surely this reliance could be reduced if we ensured our young people were skilled in the employment areas we need. Programs like Tools For Your Trade went some way to assist.

While there is some merit in having the training costs picked up through a HECS style loan, why does this have to come at the cost of the Tools For Your Trade program? As a school principal and mother, I saw the pride in securing an apprenticeship. I also saw students return to school after six or so months when apprenticeships did not work out. I remember one young student who suffered terrible bullying in the workplace. This all came to a head after he was shot in the shoulder with a nail gun. A terrible situation, you will agree.
Sometimes these young apprentices need support. The Australian Apprenticeships Mentoring Program was one such support program. It largely focused on the first year of an apprenticeship, the time when most dropouts occur. The Australian Apprenticeships website proudly lists the benefits of this program and provides a list of successful case studies, showing how a mentor program assists the business and apprentice to work through issues. There is, however, one very sad line on the program website. In a section titled, 'Who can apply for funding?', it states:

The Australian Apprenticeships Mentoring Program is now closed to new applications. No further projects will be funded under this Program.

It is a similar scenario with the Australian Apprenticeships Access Program and the Apprentice to Business Owner program, also now scrapped. These are further examples of this government's lack of real support for training. You can make noises about the young needing to learn or earn, but if there are no jobs and no training support, I am not sure how this can happen.

Those opposite cite low wages as the main reason for non-completion and, in its place, want to put debt. I am not sure this will convince apprentices that they are earning more. And how will that debt be recouped? What will happen if an apprentice fails to complete their traineeship? Hopefully, from my experience, they will return to school. The trade support program means many will have accumulated a debt for a part-skill they are unlikely to use. They will end up leaving school with a debt already hanging over their heads.

There is another group that has the potential to leave school with a debt. Some young Australians are actually lucky enough to commence their pathway to work through a school based apprenticeship. The trade support loans mean that someone as young as 16 may get saddled with a loan before they have even left the school gate. Why am I concerned with the young acquiring these debts? There is no provision in the legislation for them to have a parent or an adult with them when they sign up for the debt. This cannot happen at a bank or credit union, so why should these young people be put at risk without some form of protection? And with the government considering outsourcing the debt management to private providers, who knows how many may get caught up with a $20,000 loan and be left in the hands of private debt collectors, not all of whom are known to have compassion as part of their remit?

There is also confusion within the government about the loan scheme, with government ministers showing confusion recently about the implementation. When asked about the scheme in question time on 2 June 2014, Minister Macfarlane said:

There is no doubt that the loans are interest free. It gives me an opportunity to highlight the great regard and delight from industry in relation to the trade support loans. The loans, as the shadow minister knows, are indexed annually with CPI.

He mentioned two loan interest measures in the same sentence. The department's website and the budget papers make it clear that loans will be indexed. I quote from Budget Paper No. 2:

Trade Support Loans will be provided at concessional interest rates and capped at $8,000 in the first year of the apprenticeship, $6,000 in the second, $4,000 in the third and $2,000 in the fourth. Loans will be indexed by the Consumer Price Index and repaid on an income-contingent basis through the taxation system, similar to the way HELP loans are repaid.
This is not the only example of the government not being across the detail of budget initiatives. If they are not across the detail, how can we have faith in their ability to deliver the program? Some apprentices who drop out may never return to training and study, leaving them to a working life, most probably on a low income, with this trade debt always there. Some will never achieve a wage that allows them to repay the debt.

There is another aspect of these trade loans that not many have mentioned: they are only available to those apprentices who are training for a skill on the National Skills Needs List. As discussed earlier, we do have a skills shortage in Australia. Most skills on the national needs list are weighted to the traditional male dominated industries—building, mining, telecommunications and the like. There is some call for hospitality and hairdressing, but with the list so heavily weighted to the male dominated industries, our young female trainees will not have access to the trade loan scheme. I also note that the skills list changes over time. So it is very difficult for careers guidance counsellors and schools to help prepare students for what will be supported and what will not.

The government has already ceased the fee exemptions for childcare trainees. They have taken childcare support away from the mainly young mums wanting to return to study, and now young women are effectively being blocked from accessing this initiative, as poorly designed as it is.

Last week, I met with the National Growth Areas Alliance, a group of councils that represent the high-growth communities across Australia. They drew to my attention the 2014-15 State of the Regions report from the Australian Local Government Association. This report should sound the alarm to Minister Macfarlane about investing in skills and workforce development, particularly for young people in regional areas. The report identified the areas with the highest youth unemployment rate. It highlighted that youth unemployment is a persistent problem, particularly in regions in transition.

It is more important than ever that the federal government supports our young people on their pathways to employment. We know that the trade loans scheme was an election promise, but we did not know that it would result in the minister decimating support to apprentices by taking the axe to other programs such as the Tools For Your Trade payments program, the Australian Apprenticeships Access Program, the Australian Apprenticeships Mentoring Program and the Apprentice to Business Owner Program. I know, from my own experience, how excited young people get in the first and second years of their apprenticeship about the potential for them to become small business owners. I know that that program, and the support given to those young people to make that transition, was critical in them continuing in their trade beyond their apprenticeship.

This government also axed the Youth Connections program which helped to give vulnerable young people a second chance to obtain training and employment. I have seen firsthand the success of this program on some of the most vulnerable in our community. Combined, despite the loan scheme, these cuts to programs are just not fair. On top of that, the Liberal state governments are implementing savage cuts to TAFE which have resulted in fees rising, courses being cut and the closure of TAFE campuses.

The Abbott government is insisting that young people need to earn or learn, yet they are ripping away all the programs to support our young people into apprenticeships, employment and education. I suggest that the minister needs to look at supporting our young people on
their pathways to employment instead of axing the mentoring and access programs that support them.

Mr VARVARIS (Barton) (16:50): It is undeniable that, as a national community, we need highly skilled tradespeople engaged in training and employment for the sake of Australian industry. The trade support loans that the government will provide to apprentices will ensure that young people are obtaining the priority skills they need for long-term employment and the skills that Australia needs for productivity and competitiveness. These loans will provide up to $20,000 over four years in a HELP-style concessional loans scheme to assist with the considerable expenses of living and learning. Apprentices will pay back the loans, once they can afford to, through the Australian tax system. This is a steady, manageable and reasonable means of repaying this loan. Contrary to the perception of the Greens, this loan will only take on average five years to repay, not 50 years.

Apprenticeships are a valuable pathway into long-term employment, a worthy subject of investment by the government. The skills that apprentices gain are valuable to the Australian economy and to countless employers in need of highly technical skill sets across a wide range of areas. It is essential that, where these skills have been acquired, there is follow-through so that these skills are delivered to the economy. The fundamental belief which underpins this bill is that a technical skill is as valuable and important to Australia and to the government as a university degree.

That is why this is such a landmark bill, a bill that has been a long time coming, because it finally sends and ratifies the message that young apprentices are some of the finest assets that the nation of Australia possesses and that we do not take them for granted. We want to support them, just as we support our university students. We certainly do not view their craft as a second-rate skill, and we want them to follow through on their passion by completing their training and unlocking the opportunities awaiting them in the labour market so that these priority skills can be delivered to the Australian community.

Unfortunately, the statistics are that 20 per cent of trade apprentices drop out by the end of their first year and 30 per cent by the end of their second year. Overall, only half of apprentices that commence training will complete it. Indeed, the first few years of an apprenticeship are challenging. They are difficult in many ways, but particularly the government has heard that they are some extremely difficult years in terms of young people's finances. This is despite genuine employment prospects and earning potential which apprentices will eventually enjoy. If the government can provide young people with the financial support that they require, we can unlock for them and for the country the fantastic potential for the Australian trades sector. Completed training will more than pay off in a big way for apprentices themselves and for the economy at large.

These exciting loans will be available for eligible apprentices in less than a month, on 1 July. The promise is there for young people that, if they stick with their trade, finish training and enter employment, they will receive a 20 per cent discount on the amount of the loan that they must repay. That is almost a year's worth of value for free, effectively a gift of $4,000 from the government upon the completion of your training. This 20 per cent discount and the features of the loans scheme in general encourage apprentices to follow through, with the knowledge that, when an often costly process of skills acquisition is cut short, it means that a
big economic investment for the student is in vain and an opportunity is lost for the Australian economy.

We know how difficult it is for the genuine, enthusiastic young people who enter apprenticeships to feel like following through on their apprenticeships over multiple years is just not a viable option. That is why this bill will do so much good in such a vital area, stimulating the economy in the long run, where the most opportunity for productivity and growth exists. I am pleased that among the list of priority skills and occupations, which will be determined at the discretion of the Minister for Industry, are traditional and popular trades such as plumbing, electrical and carpentry. Given the ingenuity, insight and spirit of consultation with which the minister has conducted himself in the preparation of this scheme, I am sure that many other vital and deserving trades will receive support with this scheme. The provision of this scheme will support young Australians and incentivise them to fully attain their skills and enter the workplace, which is the best result for apprentices, the industry and the nation.

What I appreciate about this bill is that it will greatly benefit and encourage the thousands of technical college students and apprentices within my electorate. St George TAFE has been providing high-quality courses for apprentices for decades, in the areas of automotive finishing, electrical technology and body repair as well as electrotechnology and light vehicle technology. With these trade support loans, the government is investing in these Barton residents and the industries to which they belong. The government is finally sending the message that, if you are in a trade, you are just as important and useful to our country as if you are in a university getting a bachelor’s degree. To invest in these young people who are gaining vital technical skills is to invest in our economy and our whole future as a nation. I commend this bill to the House.

Mr BANDT (Melbourne) (16:56): Before the election, you could not move without seeing the Prime Minister in a fluoro vest and a hard hat, gladhanding apprentices and workers. He said, ‘An incoming coalition government will help more young Australians to start a trade, stay in a trade and finish a trade.’ What is becoming increasingly clear is that these were hollow words. Without being told that it would happen, we have seen the axe being taken to the Tools For Your Trade program, halving the program which pays for apprentices’ tools, cutting the scheme from $1 billion to $476 million over four years, to be replaced with this program that we are debating in the Trade Support Loans Bill 2014 today.

I want to share an email from a fourth-year apprentice called Matthew, who said: ‘The changes affect me and two other apprentices in my depot, along with thousands of other apprentices nationwide who rely on these payments. While I do not agree with the changes to apprentice funding, I am disgusted that they can change the system apprentices such as myself are halfway through.’ Another fourth-year apprentice, also called Matthew, said: ‘The current Abbott government is going to rip this up without any thought of how it will affect us. Every bit of money helps, especially as I am also supporting my wife and daughter and paying a mortgage. The removal of this payment is approximately six per cent of my annual income, and I could only imagine the uproar if Tony Abbott and Joe Hockey were asked to delete six per cent of their annual income.’

This is what another apprentice, called Luke, said: ‘I am grateful that I was the beneficiary of the Tools For Your Trade program throughout my apprenticeship. I used the money to buy
tools like big-ticket items such as drills that cost upward of $700. Apprentices already struggle with a low income, studying and paying bills. These incentives are what attract young job seekers in the first place, without the added stress of paying loans like a tertiary student.’ Luke speaks on behalf of thousands of other apprentices round this country who have opted to go and do an apprenticeship and to work on the low wages that that entails while you are being trained up. They have done it on the basis that they are not going to be plunged into debt. But, instead, that is exactly what this government intends to do to them.

For someone who ends up as a carpenter, with a starting salary of $40,000, you can estimate that, if they take out the full whack of the debt, it will take them 34 years to pay that off. It will be less time for someone who is in a higher paid occupation—automotive engineer, welder, plumber or electrician—but what is clear is that we are moving towards putting all the young people in this country, whether they are at university, whether they are doing an apprenticeship or whether they have the misfortune of being out of work and looking for a job, further into debt and making it harder for them to get by.

The minister and his government come in and say that it is justified to rip up the grants program and to put people further into debt, making one of the most offensive statements that has probably been uttered with respect to apprentices, saying that it is okay because they were spending the money on ‘tattoos, on mag wheels for their cars, and on birthday parties’. Firstly, there is no evidence of that; not one shred of evidence has been put forward. It is disgraceful that a government minister would use their position, supposedly to speak out on behalf of apprentices—being the responsible minister—and to slur them all without any evidence.

But if that were even the government’s motivation, and it is not—because the government’s only motivation is to cut spending on apprenticeships and put apprentices further into debt—you would expect some restriction in this bill on what students and apprentices, who are now going into debt, could spend the money on. But no, there is not. For all the government cares, they can spend $20,000 on another set of mag wheels and tattoos as long as they are in debt, instead of being given a grant. The fact that this government has not thought through how this loan scheme is going to work, the fact that there are no suggested restrictions even on it so that it has to be linked to tools, for example, shows that that offensive suggestion about tattoos and mag wheels was nothing more than a distraction and an offensive slur on all apprentices so that the government can get away with its agenda. And its agenda is to cut funding to young people and, instead, to put them further into debt.

This government is not getting rid of debt. You hear a lot of talk from the Prime Minister and Treasurer saying that the government was elected to tackle debt and deficit. I will tell you what they are doing: they are not getting rid of debt; they are just shifting it away from the government that can bear it onto apprentices, students and young people who cannot.

The government also suggests that one of the reasons they want to introduce this scheme is to address the low level of completion rates amongst apprenticeships. It is admirable to want to look at why so many apprentices are not completing their apprenticeships. It is admirable to say, ‘Let us give some incentives perhaps,’ as this bill purports to do. However what this government has failed to take into account is that the biggest reason most apprentices do not finish their training is because they are let go by their employer. It is not because they do not want to finish; it is because their employer lets them go.
What does this new move from the government do to those people who are a year or two away from completing their training but are then let go by their employer? Those people through no fault of their own are now going to end up with a debt and without any training to perhaps get themselves into a job to repay that debt. So people who are in that category, that we know exists—it is the single biggest reason apprentices do not complete their apprenticeship—are now going to find themselves objectively worse off, thanks to this government. They are going to find themselves not only without an apprenticeship, not only without a road to get a good job, but in addition they are going to find themselves in debt as well. Then, while they are looking for a job, they are going to have to spend six months of every year without any Newstart. That is what this government has in store for people under 30. That is why this is another one of the bills that is part of the government’s measures that will brutalise Gen Y and everyone who comes after them. It will make life incredibly difficult for anyone under 30 in this country. Part of the government’s agenda, of which this bill is an example, is to make it so that everyone under 30 in this country will be forced to accept any old job with any old wages and any old conditions. It will not matter that through no fault of your own your employer sacked you and you did not finish your apprenticeship; if you do not want to live six months of the year with no income at all you had better go and take that job paying less than the minimum wage. And you do not want to complain about that because, if you complain, then you will find yourself put through the washing machine again and having to spend another six months without any income. That is the vision this government has for this country.

When we know that the most common reason for people not completing their apprenticeships is employment-related and we combine that with the fact that apprenticeship commencements are also declining, we have two choices. You can do what the government is doing, or you can do the sensible thing which is to put more money into apprentice training to boost commencements and completion rates.

It is known that a loans scheme is likely to deter students from low-income and disadvantaged backgrounds. It stands to reason. The government has been unable to confirm in the Senate estimates process or anywhere in this debate that they will not change the arrangements for this debt in the future, similar to what they have done with HECS debts. So for all we know, the debts that these apprentices are about to incur could be required in the future to be paid back even more quickly or at even higher rates of interest and, if you look at what they have done to higher education students, you could imagine that that is only a year or two away.

If we really wanted to build a sustainable and clean economy, we would be investing in our apprentices. We would not be saddling them with thousands of dollars of debt. By funding apprentice training and investing in infrastructure, we could build the skills of the future to help Australia get ahead of the curve. And rather than relying only on the private sector to train the next generation of Australian workers, the government should take a leading role in funding and supporting them so that we have a generation of workers skilled up and ready to build a clean economy. The idea of owing Tony Abbott’s government thousands of dollars in debt will just send a chill down the spine of many young people thinking of starting an apprenticeship. As we have seen with the massive changes to the HECS system, it does not
matter if you have signed up for a lower interest rate; this government is going to slug you anyway.

So it is crystal clear that what this is about is not a better deal for apprentices. This is about making life worse for many, many apprentices. This is about making life grim for young people and gutting the supports that would see apprentices commence apprenticeships in greater numbers and complete them in greater numbers. It is no wonder that there have been many, many submissions on behalf of apprentices and on behalf of working people saying that debt is the wrong way to go. I urge the government to reconsider this measure, to reinstate the Tools For Your Trade programs and to treat our apprentices with respect instead of disdain.

Mrs WICKS (Robertson) (17:07): Apprentices will receive better support thanks to the coalition government's Trade Support Loans legislation. Having more apprentices in the workforce means we can boost our productivity and meet the changing needs of our economy. It also means we can continue to enjoy the standard of living we have today. Imagine, for a moment, a world without tradespeople and apprentices. Imagine a world where trade skills were lost because they were not passed down to a younger generation. It may seem like hyperbole, but consider for a moment the possible consequences. Our houses would fall down eventually because there would be no-one to fix a leaky roof or the plumbing. We could not build any new houses. Manufacturing would become a thing of the past. Cars and public transport would come to a standstill. Baking and bread making would become a home-based pastime, and we would all have to learn how to make our danishes and sausage rolls for morning tea. We would have no furniture because there would be no cabinet makers. Our computers and our IT systems would not work—not even Facebook. We would cut our own hair. It would even impact romance, because even jewellery making is considered to be a trade.

So our Trade Support Loans scheme, the fulfilment of a commitment that we made to the people of the Central Coast in our growth plan, will provide real support for apprentices to complete their skills training and provide a stronger incentive for young Australians to become apprentices and complete their apprenticeships. At present, there are high dropout rates in apprenticeships, and only one in two people actually completes their training. This can have a significant economic and social impact. Our trade support loans are part of the solution because they have the dual effect of providing financial support for people to complete their training as well as encouraging more Australians to learn a trade by offering interest-free loans of up to $20,000 to assist with everyday costs. Payments will be made monthly in arrears and will be at a higher rate during the first two years to provide support when it is needed most and when wages are at their lowest. Apprentices will have access to up to $8,000 in their first year, $6,000 in their second year, $4,000 in their third year and $2,000 in their fourth year.

These Trade Support Loans will commence in July at an estimated cost of $1.9 billion over the forward estimates. They are flexible to meet the needs of every individual. For example, an apprentice could opt in for just six months so that they could buy their tools, or perhaps save up their first year's payments to buy a second-hand car and then opt out of further loan payments if they wanted. Or they can take the full amount to cover living expenses throughout their four years or so of training. Apprentices will have to apply for a loan and will
have to indicate every six months if they want it to continue. In this way, we can ensure that apprentices are aware of the debt they are accruing. As an additional incentive, anyone who completes their apprenticeship will have the amount owing on their loan reduced by 20 per cent. Like FEE-HELP and HECS loans for higher education students, apprentices will only repay their loans through the tax system when they are working and earning an income of at least $50,000 per year. Unlike Labor's Tools For Your Trade program, our trade support loans are a hand up, not a hand out. The Tools For Your Trade program delivered a payment of $5,500 in five lump sums. But what we found by talking to apprenticeship centres and employers, including those on the Central Coast, is that there was growing community concern that some apprentices were wasting their tool allowance on holidays, 21st birthday parties and other recreational activities.

The feedback that I am getting from people on the Central Coast about our loans scheme is very positive. Caine Howell, a third year apprentice bricklayer from Green Point, told me it is hard to make ends meet and that the Trade Support Loan scheme will provide him with help when he needs it the most. Jack Vicary, a third year apprentice carpenter from North Avoca, said he has a long list of expenses such as car costs, petrol and general vehicle costs, and he needs these things to be able to do his job. Jack told me he was really pleased to hear how the government was supporting tradies on the Central Coast. Jack and Caine are just two examples of the more than 2,000 apprentices in my electorate who will benefit from our government's reforms. Our plan will also be better for employers on the Central Coast. Brock Robson, owner of All Jobs Plumbing at North Avoca, said he has been reluctant to take on plumbing apprentices due to the fear of them losing interest in their trade and leaving. He believes the new Trade Support Loans scheme will help apprentices stay focused on completing their trade. Mr Robson said it gives him the reassurance he needs to take on apprentices and give them a fair go.

Australia needs a training system that provides the skills that industry needs and delivers real jobs. The Trade Support Loans Bill is part of this system which is already being well received in my electorate of Robertson. I commend the legislation to the House.

Ms CHESTERS (Bendigo) (17:12): Prior to the election, Tony Abbott announced the Trade Support Loans scheme, which a number of people have referred to in this House. But what he failed to do prior to the election—and has failed to do so often—was tell apprentices that his government would scrap Labor's $1 billion Tools For Your Trade program. On budget night a number of people were shocked, including many of the apprentices currently relying on this program. In my own electorate of Bendigo a few days after the budget, participating in the Walk a Day in My Shoes program, I was at the Country Cob Bakery in Kyneton. They have two apprentices. One is mature aged and the other is a young man who took up his apprenticeship after finishing year 12. They spoke about the shock of learning that this program had been scrapped at short notice, and they asked how they were going to buy the tools that they needed for their baking apprenticeship. A lot of their coursework these days is online because Kyneton is an area where there is no TAFE. Because of state government funding cuts to TAFE, the Bendigo TAFE has closed the Kyneton campus. So the only way these students could do their coursework was via their own computer at home. They were planning to use their Tools For Your Trade payments to purchase those computers and to pay for the internet access to be able to do their coursework online. After meeting with those
apprentices a few weeks ago, I caught up with them on the weekend and they said they still do not know whether they will be able to purchase the equipment. I asked them whether they would consider taking out a trade support loan. The answer to that question was, 'Only if I have to. Only if there is no other way to get more money in my budget will I take out a loan.' The idea of having debt before you had even started your career is not something that they were in favour of.

In this debate earlier, Bob Baldwin said that it was clear that the Tools For Your Trade program would be replaced. I hope that is the case, that the government has a new policy it is going to announce. I call on the minister to provide evidence of this and to outline this new particular claim in his summing up speech, because that would be great news to those young apprentices in Kyneton and in the electorate of Bendigo, who want the Tools For Your Trade program in its original form.

However, this bill seeks, as others have outlined, to replace the Tools For Your Trade program with a loans scheme for apprentices, where they could, through their lifetime, incur up to $20,000 in debt. The reason why Labor is supporting this is that there needs to be something to help these young apprentices. I do not like it. I do not think it is the right way to go. But if those Kyneton apprentices have no other way to purchase their tools and choose to take this option of debt, then it is good that they have at least got something. But it is not good enough.

Many apprentices who have already completed their trades are worried. They are now waiting on these payments. They are expecting to receive them, but they may be cancelled. Many people who have already purchased their tools are now in a situation of debt. Their employers are also concerned that they have entered into an arrangement, and they do not know who is going to be able to support them with these tools. As I said, the idea of getting yourself into a loan is not something that is attractive to a lot of young people.

The Abbott government has taken the axe to support for apprentices. As well as axing the Tools For Your Trade program, they have axed the Australian Apprenticeships Access Program, they have axed the Australian Apprenticeships Mentoring Program, and they have axed the Apprentice to Business Owner Program. It is further evidence of how this government does not really get it when it comes to supporting apprentices. This government is quick to get you to take up a loan and generate a bit of income for them to make it look good in their budget papers, but yet it does very little to fund the programs that help apprentices and that help businesses keep apprentices.

The government have also confirmed that they are looking to outsource the debt management for trade support loans. That is a huge issue for people. The idea that—unlike the HELP debt, which the government is supposed to manage—you could be in the hands of private debt collectors for a loan that the government has given you is simply not fair. It is an unfair burden to place on people as young as 16 who are seeking a trade.

But let us be honest about this area. The Liberals just cannot be trusted on the issue of education. We have to look at their track record. We have to look at it because it speaks to why I do not believe that this loan scheme will be very popular with young people. Federally, there have been cuts to trade training centres. We hear lots of talk from people saying they did not build enough. But they did build some, and the ones that they built are very successful. The critique of the trades training program was that it was not rolled out fast enough, not that
it was not a good program. So what the government should be doing, if they believed it was not rolled out fast enough, is investing more money in the trade training centre program, not less.

In my own electorate of Bendigo there is a great network of schools in the Bendigo town working together. Thirteen schools are part of the trades training network. But the areas in my electorate to miss out on trade training centres were Castlemaine and Kyneton. They are disappointed that they have missed out on the opportunity to build a trade training centre, because this government has scrapped the program.

The state Liberals also have an appalling record when it comes to TAFE and vocational skills in education. The state government has cut, already, $1.2 billion from TAFE. It has had a huge impact on regional students. As I mentioned, there are campuses that have been closed directly because of state Liberal government funding cuts to TAFE. Apart from closing the Kyneton campus, at the campus of BRIT there have been over 150 job losses. There have been 36 courses cut from the Bendigo campus. Because of the funding cuts, because of the courses being cut, my local TAFE, BRIT, has now been forced into a merger with the Kangan-Batman Melbourne based TAFE. This is an area that demonstrates how the government simply does not understand how to deliver vocational skills in the region. Bendigo has forever lost its stand-alone TAFE in a town which has had a school of mines for over 150 years. It no longer has a theirs course. It no longer has a stand-alone TAFE. The Melbourne takeover has been done without consultation with the broader community. There was money put on the table by the state government, effectively bribing TAFEs to merge. It demonstrates, again, how Liberals in government—state or federal—cannot be trusted. They cannot be trusted to administer this loan scheme. I understand why people are sceptical about taking up a loan.

In relation to the state of our TAFEs in Victoria, I have mentioned the Kangan-Batman. This is the one that Bendigo will be merging with. They have had 52 courses cut. They have lost 172 staff. Students have been slugged with increased fees. There has been a massive drop in student numbers, and that is because of the increase in fees. Bendigo TAFE, as I have mentioned, does not fare much better. They have also had a massive drop in students. It is because the Liberals cannot be trusted in this critical area of delivering TAFE and training. They are scrapping a system that works and they are replacing it with a system that just sees students get themselves into more debt. The area of apprenticeships and skills in our community is not something that you can ignore. That is why it is so disappointing that this government has scrapped programs that were working.

Yes, it is true that 48 per cent of apprentices are not completing training. They are not completing it right now. But rather than looking at why they are not completing their training, the government is saying 'you can just get yourself into further debt'. That is simply not good enough. The programs need to be there, the TAFEs need to be there, the support and mentoring needs to be there, and this government has scrapped the assistance.

Given the attrition rate for apprentices is so high, there needs to be more funding in the system. The current apprenticeship system is under strain due to a number of challenges: there is national inconsistency; there are poor completion rates; there is a persistence that it be time served as opposed to competency based delivery; and further application for the pathways
needs to be invested. These are not just my words but the words of industry starting to speak out.

I think about some of our local traditional apprenticeships and traditional courses that we have. Hawkei, which is being built at the Bendigo Thales site, is a great project. We hope the government signs on to build the Hawkei in Bendigo. This particular establishment used to be the old Australian Defence Industries. Back in the day when it was owned by the federal government, before it was privatised, they had 100 apprentices—25 in each year level. Today Thales Bendigo has two. I worry about the future of high-tech skills manufacturing in this country if, within one lifetime, we have gone from 100 apprentices at this one local facility down to two. They are not alone. As we have seen over and over again, when we lose manufacturing, we not only lose those high skilled jobs but we also lose our major education provider for people with skills and trades, particularly in heavy metal manufacturing.

The recent budget announcements seem to be designed to make it more difficult for our young people to gain a skilled qualification. We are not just talking about what has been scrapped in the way of support for apprentices but about what is making it harder for people to obtain a university qualification. The biggest deterrent for people from a regional background and the biggest deterrent for people from a low socioeconomic background is cost. Saying 'that is fine; you can get yourself into $100,000-worth of debt' is not good enough. What people in the regions want are opportunities for young people. They want to be able to gain an apprenticeship, they want there to be a strong well-resourced TAFE sector to support them and they want to be able to go on to university if they choose to do so. But what we have seen from this government are continued broken promises in this area.

When the Prime Minister was opposition leader and announced that he was introducing this scheme, at no time did he say to young apprentices that he would be scrapping Labor’s $1-billion Tools For Your Trade program, a program that was working and supporting hundreds of thousands of apprentices achieve their apprenticeship.

What will make it hard for these young apprentices apart from the changes in this particular area are the increased costs they will have as a result of the budget. The previous speaker spoke about the cost of fuel, which is another issue that will hit young apprentices hard. One of the speakers on the government side said that was okay. He said they can spend this loan on petrol. Is that really the design of this program? Is it a $20,000 loan so apprentices can get from A to B? I would suggest that getting them into debt around the very basics like transport and course costs is not the best way to support people doing an apprenticeship. That is not the kind of nation we want to be setting up. There will be a generation of young people who cannot buy their first home because they have so much debt forced on them by the government when achieving their education.

If we are serious about developing the skills we need for the future and about ensuring that we have a strong economy going forward then we need to reinvest in our apprentices, not through loan schemes but through programming. We need to support businesses to take on more apprentices so that maybe one day the manufacturing sector in Bendigo, through organisations like Bendigo Thales or Hofmann’s, can get back to employing the 100 apprentices that they used to have. It is important that as a nation going forward we do more to support our young people. But what we have seen from this government is nothing but broken promises.
Mr WILLIAMS (Hindmarsh) (17:27): It was interesting to hear the member for Bendigo speak about the Victorian TAFE system because the cuts that she mentioned made me remember the South Australian Labor government's TAFE system with redundancies and cuts. I thought she was speaking about South Australia, not Victoria. There are some similarities between the South Australian Labor government and the federal Labor government, as you would be aware, with poor financial management and the huge debt and deficit. In South Australia in the recent budget there is over $1 billion in deficit for the second year running. Interest repayments are a billion dollars a year in South Australia, which is less than we have federally, but it is still an issue for our state. The end of the Labor government in South Australia cannot come soon enough but, unfortunately, we have got four more years.

I am not here to speak about that but about the trade support loans. The education of our next generation of workers is one of the most important investments we can make in our future workforce. When I have gone to various TAFEs around Australia, whether in Townsville, Bendigo, Perth or Newcastle, I have been impressed with the facilities, the operations and the staff. The staff are knowledgeable and passionate about what they do and they seem to be reasonably well resourced, which is great to see.

The big problem we have, as we have heard in this debate, is we have only one in two apprentices finishing their training. So when we have a problem, rather than just throwing money at things and wasting money unnecessarily, we on this side of the House take a very practical view to it and think, 'Can we do better? Can we change things and get a better outcome?' That is the position we are coming from. These trade support loans provide ongoing support to help apprentices with one of their greatest challenges—completing their training. It is important. Where we have got these skill shortages out there—whether it be that we need more chefs, mechanics or tilers—we need the apprentices to complete their degree. That is why we have structured the trade support loans in the way that we have.

I was out with the motor trades industry a few weeks ago, and they talked about the numbers of their apprentices not completing certain degrees or programs, as well as the job opportunities that were there. Whether it be the panel beaters or the mechanics, where we have these skill shortages we need to do the most we can to encourage the apprentices to complete their degree. In that respect, the loans have been structured so that apprentices have greatest access to financial support in the early years when they need it most—that is, $8,000 in the first year, $6,000 in the second, $4,000 in the third and $2,000 in the fourth.

The beauty of these loans is that they are also flexible to meet the needs of the individual. If a carpenter knows that he only needs $8,000, then that is what he will take out as a loan. If they need to cover living expenses, then they can take out more. We must remember also that they only start paying these loans back when they earn over $50,000 and, importantly, they receive a 20 per cent discount on their loan when they complete it, so that creates a great incentive for them to finish their loan. The 2,500 apprentices in Hindmarsh—and I have had input from a number of them—know that this is a well-structured program. They know that this will provide them with some great support throughout their apprenticeship.

We always have to look at why things are not working. There is no point throwing money at something when we are not getting the outcome, and we heard anecdotal stories of how the previous program under the Labor government had waste in it—which is not surprising, given that Labor programs often have waste, but this was another one. There were concerns raised
by both employers and apprenticeship centres about how some apprentices were wasting their
tool allowances on things like 21st birthday parties or mag wheels. I heard a story once of
how an apprentice rocked up with a new surfboard and said, 'This is what I've bought with my
$5,000.' That is not what this scheme was designed for. I accept that it often takes a few
individuals to wreck it for everyone else, but there were obviously enough of these incidents
happening where the money was not being best spent for its purpose. There was concern at
the wastage out there where apprentices did not need that $5,000.

We are providing the loans and the necessary support. We are assisting people with their
training. There is also some other assistance in the trades and industry sector that I wanted
to touch on. In South Australia we have announced a $155 million growth fund to generate the
jobs of the future for employees and supply chain businesses that are suffering in the
automotive sector due to the closure of Holden and Toyota. This growth fund includes a $30
million skills and training program to assist automotive employees to have their skills
recognised and provide training for new jobs while they are still employed. That is real
assistance—targeted assistance—for those that need it.

We have also got a $60 million Next Generation Manufacturing Investment Program to
accelerate private sector investment in higher-value, non-automotive manufacturing sectors in
Victoria and South Australia. Importantly, there will be new opportunities in those other
sectors that have a real future, where they can compete internationally and where we are again
providing great support for those that really need it across a series of training sectors in our
economy.

In closing, Australia can no longer afford unaccountable taxpayer-funded handouts. We are
giving people a hand up and assisting them when they need it. It is a responsible program, a
well-targeted program and a program that will assist those many apprentices to make sure that
they complete their training in courses we need them to complete.

Ms CLAYDON (Newcastle) (17:34): I rise to speak on the Trade Support Loans Bill 2014
and to support the amendment moved by the member for Cunningham. Very briefly, this bill
establishes the Trade Support Loans Scheme for Australian apprentices. These loans will be
concessional and income contingent, with a lifetime limit of $20,000 indexed from 2017. The
loans will be repayable when the individual's income reaches the Higher Education Loan
Program, or HELP, repayment thresholds. The bill also provides for a 20 per cent discount to
be applied to the loan, incurred when an Australian apprentice has successfully completed
their apprenticeship.

To be fair, prior to the 2013 election the Prime Minister did announce his proposal for a
Trade Support Loans program, and those of us on this side of the House are indeed amazed
that the Prime Minister finally appears to be keeping one of his election promises. But what
he did not tell apprentices was that he was going to scrap a key assistance measure—Labor's
$1 billion Tools For Your Trade program—that provided $5,500 to each apprentice who took
part. Replacing Labor's $1 billion Tools For Your Trade program with the Abbott Liberal
government's $439 million loans scheme means that this government has just lifted $561
million out of the pockets of Australian apprentices, who, in my electorate of Newcastle, are
the future hope of us retaining a skilled manufacturing industry.

With the passage of this bill, struggling apprentices on pay well below the minimum wage
will be forced to swap their tool allowance, which was a grant, for a $20,000 bank loan
instead. This now means that what was an optional loan available to apprentices—the new Trade Support Loan—is now the only financial support offered to apprentices. It is borrow or bust. The loans were also tagged as being interest-free when announced, yet in real terms, following the announced changes to HELP loan indexing arrangements, these loans will actually accrue up to six per cent interest over their lifetime from 2017. For the first time, apprentices will be loaded with spiralling debt before starting their careers.

The lack of clarity around how the loans will work is another concern, particularly as they will be available to school-based apprentices. Teenagers at school need to be offered adequate protections and advice regarding the loan agreement that they will be entering into. The provision of the optional trade support loan is not opposed by Labor, but it should not have come at the expense of the Tools For Your Trade scheme and should have appropriate advice requirements in place to ensure informed and voluntary decisions by apprentices, some of whom are school based.

The industry minister flagged that a key reason for ceasing the Tools For Your Trade program was because there was evidence that apprentices were spending their money on tattoos and mag wheels for their cars or on birthday parties. I just heard the member for Hindmarsh suggesting similarly. This cheap shot at apprentices is offensive and demonstrates the minister’s lack of understanding about the costs apprentices incur while training. Many apprentices have huge costs for tools and equipment, and the minister’s accusation that they are misusing these funds is offensive to the majority of apprentices, who have used these much-needed funds to do the right thing and buy the equipment that they need to help them on their career path. Apprentices are on pay well below the minimum wage. They need support to purchase the tools essential to their trade. This is a minister and a government that is clearly out of touch.

While it is true that the government did flag its intention to introduce these trade support loans, they absolutely did not tell the industry or apprentices that other successful programs that support our apprentices will be axed at its cost. Group trainers and employers were delivered a severe blow when the announcement was made that the very successful Australian Apprentices Access Program, the Australian Apprenticeships Mentoring Program and the Apprentice To Business Owner Program were being axed. They are successful programs that help apprentices find employment and finish their apprenticeships. They now sit on this government scrap heap, which is getting higher and higher every day.

I would like to draw particular attention to the difference the Australian Apprenticeships Mentoring Program and apprenticeship access programs have been making for apprentice and employers in my electorate of Newcastle. Of the current 31 programs that are being delivered under the Commonwealth mentoring program, three deliver specific services in Newcastle. The Australian Rugby League Commission’s Trade Up with the NRL program focuses on increasing the retention and completion rates of Australian apprentices who are also involved in rugby league. Mentors work with the clubs and regions to assist identified apprentices within the rugby league community with successfully completing their apprenticeships. Former Newcastle Knight and qualified electrician Anthony Quinn is a mentor in the program. Earlier this year Anthony retired from the NRL having experienced significant injuries during his rugby league career. Thankfully, he has a trade to fall back on. Mind you,
it took him 13 years to complete his apprenticeship while he juggled football and family commitments.

In his role as a mentor in the NRL’s program, Anthony helps young footballers ensure they have options when their playing careers end. Anthony is only 31 and he has already had to embark on a new career. Other players are not as lucky and through injury, misadventure or a drop in form may be faced with the ending of their sporting career in their twenties or even teens.

Another program delivering services in Newcastle is BUSY At Work's Apprentices on Track Industry Mentoring Program. Their project provides mentoring support to Australian apprentices across the transport, postal and warehousing industries as well as rail related industries including electrical, carpentry, welding, metals trades and fitters and turners. The rail industry is at a crossroads in Australia and in my home town of Newcastle in particular as state Liberal governments offshore their purchasing of new carriages rather than building them in Australia. The Apprentices on Track Industry Mentoring Program helps give some sort of assurance to apprentices at a time when their industry and other, similar industries like shipbuilding are at pains to survive under Liberal governments.

The third program operating out of Newcastle is NovaSkill's Australian Apprenticeship Mentoring and Support Service program—AAMPED—delivering mentoring to apprentices who are at high risk of drop-out and non-completion of their trade. NovaSkill is an organisation that has been operating ahead of its time for much of its 33 years of existence, and its mentoring program is no different. In the early 1980s, when a severe economic downturn was experienced in the Hunter, the Hunter Training Group, now NovaSkill, was formed to ensure young local apprentices could continue on with their trade training even if they did not have a day-to-day job to go to. The apprentices spent time being hosted by local employers and attended training with the training group so that when the economy improved they would be able to continue with their trade. This helped bridge a potential skills shortage that often occurs when economies recover. They were operating under an advanced model that we could well consider today as industry transitions.

NovaSkill's current mentoring program under the Australian Apprentices Mentoring Program is based on a model that was already operating successfully before the formal introduction of Labor's mentoring scheme in 2012. With a strong commitment to Indigenous employment and training, NovaSkill were delivering a specific program for Aboriginal and Torres Strait Islander that spawned their current AAMPED program. AAMPED has seen more than 1,600 Australian apprentices or trainees complete their apprenticeship, including more than 155 Indigenous apprentices and assisting more than 800 local employers in the process. While some other trainers direct the mentoring program at any apprentice who is employed, NovaSkill makes a point of only including in their program apprentices who are deemed most likely not to complete their apprenticeship.

To measure the risk of drop-out, apprentices complete a brief survey that measures various aspects of their life that may contribute to them leaving their apprenticeship like if the apprentice owns a car, if they live close to work, if the apprentice is from an Aboriginal and Torres Strait Islander background, if they live at home or in a share house or if they are facing financial pressures. The apprentices complete the survey at regular intervals to make sure their current risk is being assessed, as their circumstances may change, with the risk of drop-
out reassessed. To ensure ease of delivery and high survey completion rates, NovaSkill developed an iPad app so apprentices could quickly complete the survey using a comfortable medium rather than a potentially uncomfortable interview or being grilled by their trainer. Despite only targeting high-risk-of-drop-out apprentices, the AAMPED program is delivering outstanding results. Their attrition rate for apprentices that go through the program is less than 10 per cent, whereas the national rate of attrition for apprentices is 48 per cent. According to NovaSkill, the program is also delivering real financial gains and skills results of national significance. For example, the cost to the Australian government of apprentices who start but do not finish their trade can be reduced by over 80 per cent per annum, and national skills shortages can certainly be addressed with over 40 per cent more apprentices completing their trade. By any measure, the mentoring programs delivered under the current Labor model are making a massive difference. But we see this government again making decisions based on ideology rather than evidence and instead of supporting or expanding this fantastic mentoring programs they are axing them and abandoning apprentices in the process.

While the ongoing funding for the mentoring program had its writing on the wall under this government, with failure to commit to its extension since elected, the scrapping of the Australian Apprentices Access Program came as a surprise to most. The access program provides vulnerable job seekers who experience barriers to entering skilled employment with nationally recognised prevocational training, support and assistance. Women who wish to return to the workforce by gaining new skills or updating existing skills will also be disadvantaged by the programs abolition. They may have been out of employment for a number of years and leant on programs like the access program to re-enter the workforce. Young culturally and linguistically diverse women, Indigenous women, women with disability and mothers will be left without this dedicated pathway to training and employment.

Again, while Labor does not object to the provision of the trade support loans, I do want to take this opportunity to flag a concern with how the Trade Support Loans program is being targeted, in particular the inequity it creates for women. While the inequity may not be intended through the program's delivery, the result is clear—loans will be available to more men than women. As with the Industry Skills Fund, very few women will be beneficiaries of Trade Support Loans as the funds are only available for apprentices undertaking a qualification in an occupation on the National Skills Needs List. Of the 65 or so occupations that are listed, only a handful have female apprentices.

The publicly funded TAFE system is slowly being displaced by the creation and expansion of a demand-driven competitive training system with a drive to privatise and commercialise the VET system. The VET system is promoted as industry driven and the sex segregation of occupations is entrenched in many industries. I urge the government to work with organisations like the National Foundation for Australian Women to ensure females who undertake a trade have the same financial support as males and are not further disadvantaged.

Having skilled and qualified workers is an important part of our overall economic sustainability. Apprentices, training organisations and employers are vital parts of the skill development and training ecosystem, so it is important that government supports them. Without them we will be faced with skills shortages for the jobs of the future and an ever-growing unemployment list that people will struggle to leave.
Under the Liberal state government in my home state of New South Wales we are seeing devastation in the TAFE and VET sectors. There have been massive drops in apprenticeship enrolment numbers—up to 50 per cent for some courses in my region in the Hunter; a lack of investment in capital works; more than $800 million in funding slashed; and over 700 teachers sacked. Industry figures are warning of future skills shortages. The Liberal state government is ignoring industry concerns and are pushing ahead with moves to a privatised vocational education sector and increasing course fees by up to 400 per cent from 1 January next year, pricing young apprentices out of training.

I congratulate the NSW Leader of the Opposition, John Robertson, for heeding advice and last week committing that a Labor government would abolish the Baird Liberal government’s massive fee hikes and will commit to capping TAFE fees at current 2014 levels with increases no greater than CPI. They will also stop mass sackings and cuts to courses. That is what a strong government should be doing. They should be doing the right thing for apprentices and our nation’s future. It is not good enough to swap a tool allowance for a $20,000 loan program. I urge the government to reconsider the abolition of these vital industry and apprentice support mechanisms. (Time expired)

Mr HUTCHINSON (Lyons) (17:49): There were many failures of the previous government—Pink Batts, school halls, the Australia Network, the NBN—but Tools For Your Trade should not have been one of them, frankly. This would not have been on the list if the planning and the compliance and the tools had been the things that were actually purchased. But everyone knows—everyone has a story—about poorly spent grants under the Tools For Your Trade scheme. Ultimately it is the responsibility not just of the employer but also of the apprentice to contribute to their education and their training.

It is through education and training that opportunities open. I have a technical background. I studied a trade many years ago and other doors opened. I completed that and I went on to further study. On Friday I was at home in my electorate and I visited Mark Turner, at Turners Blackwood Furniture in Western Junction. I walked in and, having introduced myself, I met Daniel, who is the fourth year apprentice at that business. I asked him straight out. I asked him the question in front of his employer, Mark, and by the end of it we were having a bit of a chuckle, because, as I said, everybody knows a story, everybody has seen the examples of how a notionally good idea with poor planning did not deliver on expectations that I think many would have had—no doubt with good intent—when it was devised. Indeed, in my home state of Tasmania, we are experiencing a skills shortage in more than 60 trade areas, including carpentry, bricklaying and electrical work. My state's economic downturn has dramatically affected our industry and manufacturing base. Tasmania has suffered a serious cycle of business shutdowns. Young Tasmanians bear the brunt of that flow-on effect more than just about any other sector of the community. The number of apprenticeships offered has dropped and fewer apprenticeship positions are being filled. As one industry leader told me this week: 'This part of the business and industry sector is always the first to be affected when times get tough. Apprentices are often the first to go.' It is last on, first to leave when a business or industry closes and the boss can't afford to keep them. This does not bode well for an already challenged younger generation for our country's tradesmen and tradeswomen.

The latest national figures reveal that in my electorate of Lyons we have only 1,037 apprentices in training, including 430 identified as from the skills shortage areas. This is not a
large number when you consider that my electorate makes up nearly half of the area of Tasmania. That is why this Trade Support Loans Bill 2014 is important for the young people in my electorate of Lyons.

We welcome whatever can be done to support more young Tasmanians into and through training to increase their skills level and, therefore, their chances of long-term employment. That message has already trickled through to business and industry in my state since the scheme was announced as part of our government's first federal budget last month.

Austral Bricks, at Longford in my electorate of Lyons, is a subsidiary of the national brickworks business. Austral has been making bricks in Tasmania for more than 35 years. It employs 25 staff and has invested $3 million in the plant in the past three years. Only last month, federal Minister for the Environment Greg Hunt flew to northern Tasmania for the official launch of Australia's first carbon-neutral brick produced at that factory. Austral general manager David Robertson told me this week that his company welcomes the Trade Support Loans scheme as extra support for apprentices through to the end of their training. He said that Tasmania needed as many apprentices as it could muster to help fill skills shortages. This new scheme will provide financial support similar to the HELP scheme for university students, which has been extended to sub-bachelor degrees and diploma courses, which, as David suggests from personal experience, is a good way to assist cash-strapped students towards the end of their training. It is a similar thing with apprentices starting on a very low wage base. This scheme will help them in those first vital few years, when their take-home pay is minimal but they face the same costs for tools and other equipment or accommodation as their qualified counterparts.

The Tasmanian Building & Construction Industry Training Board chief executive Simon Cocker said this week that he too thought that the new scheme would work well to help cut the dropout rate among young apprentices. He tells me that there is a more positive feeling for growth in Tasmania's building and construction industry than there has been for a number of years, with several big projects on the way, like the rebuilding of the Myer store in Hobart, the Royal Hobart Hospital—if we can get it back on track—and the Parliament Square development. Let us all hope that this scheme may also help to attract some young people back to the state to train and work in the industry locally.

These Trade Support Loans deliver on an election commitment by this government to provide income contingent loans for living costs for apprentices. Up to $20,000 will be available over four years to apprentices undertaking certificate III or IV qualifications. They will be similar to the Higher Education Loan Program, as I mentioned, with the repayment done via the tax system once the threshold income level is reached. Students who successfully complete their training—and that is something we want to see—will receive a 20 per cent discount on their loan. What a deal! It is the best loan I will ever get in my life. According to the latest data, about 20 per cent of trade apprentices drop out by the end of their first year and about 30 per cent by the end of their second year. So 50 per cent do not complete the course. The retention rate is unacceptable. One of the reasons for apprentices not completing qualifications is the minimal associated wages in an apprentice's early years. This bill goes a long way to address such deficiencies. The scheme targets the aspect of noncompletion and provides support where it is needed most with loan payments heavily weighted in the first two years of the apprentice's training when the risk of withdrawal is highest and wages are at their
lowest. It is a must if we are serious about increasing the number of apprentices to tackle our skills shortages, as we are in Tasmania.

In summary, there is a mutual obligation between the apprentice and the employer. The scheme offers front-ended payments of $8,000 or 12 payments of $666.67 in year 1, $6,000 or 12 payments of $500 in year 2, $4,000 or 12 payments of $333.33 in year 3 and $2,000 or 12 payments of $166.67 in year 4. The important thing to recognise is that the apprentice can borrow as much or as little as they require. For example, somebody may, over six months, using $4,000 of their loan, buy tools and then opt out. They complete their apprenticeship and after four years they get a 20 per cent discount on that $4,000. What a wonderful deal!

Another example might be when they save over the first year to buy a second-hand ute for $8,000. On completion—this is depreciation on steroids—they get a 20 per cent discount on that rate. What a deal! It is the best deal they will ever get in their lives. There is an extensive list of apprenticeships on the National Skills Needs List. I am very pleased to note that the minister has included—this is true particularly for my electorate and in Tasmania more broadly—agriculture and horticulture qualifications, which are not on the National Skills Needs List, as additional skills priority areas that are eligible for the Trade Support Loans, although they are not on that list. That is particularly important in respect of skills within the dairy industry, in my state of Tasmania, and also within the horticultural sector as well. They are growing areas. I am really pleased to see the addition of those two apprentice courses within this loan scheme. It is a very positive initiative. It has broad support from apprentices and employers, and elevates apprenticeships and the trades to sit alongside diploma courses, sub-bachelor degrees and the higher education and university degrees. I commend the bill wholeheartedly to the House.

Mr CHAMPION (Wakefield) (17:58): I rise to speak in support of the Trade Support Loans Bill 2014. Like everything that the Abbott government do, there is a nasty surprise in this set of arrangements around trades. On the face of it, the government have kept their commitment—that is, they are implementing this loan-based scheme. We find and we discussed last week that they are cutting a whole lot of programs that assist apprenticeships and apprentices. The key program is Tools For Your Trade—not a mention about cutting that program before the election, not one skerrick or intimation to the people of Australia that they might consider cutting that program. Yet here we find this nasty action post election.

We hear those opposite talking about these programs, but the effect of their actions is to stop people joining the middle class. Whether you are studying for a degree or undertaking an apprenticeship, they want to saddle you with debt and, when you emerge from your period of training, the consequences will be that you will put off buying a house, starting a family and starting a business, because of these debts being loaded onto apprentices in this case but all other students and trainees.

This goes against the Australian compact. We heard those opposite talking about mutual obligation. There is an obligation on individuals to do well, train hard and advance themselves; then they give back to this country by paying taxes and being good citizens. This scheme will break that compact and insert onerous debt in its place.

Labor has always been the party of trades and, if you look at the Labor Party’s No.1 most quoted Prime Minister, Chifley, he was a tradesman. He was a locomotive driver, which was a trade in those days. He gave technical education lectures in Newcastle. The Labor
movement more generally has been a movement of tradespeople. We have done many things over the years: protecting and advancing wages; making sure that employers had the required number of apprenticeships; and pushing more training numbers through the economy through actions on the shop floor and the floor of this parliament.

Tools For Your Trade is a classic example of this—a grant to help apprentices with their No. 1 cost: tools. It was a good program, and there are lots of other good programs like the National Partnership Agreement on Training Places for Single and Teenage Parents, and the Australian Apprenticeships Mentoring Program. There are a lot of programs that have been cancelled by this government which were there to help not just the recipients of the schemes but also employers.

Trades in Wakefield have always been a topic of a lot of discussion. We have the Roseworthy Campus at Adelaide University, which is a working campus, where people learn professions. They go to work on farms as vets and previously on vineyards and the like. It is very much a university campus which is linked to work. Our view of higher education and technical education has always been about that link to work. If you look at the schemes that used to exist in the electorate at Holden, DSTO or many of the textile factories in this area, it was very much where you trained to get a trade. It was the height of work in many ways. There was never any snobbery or inverse snobbery towards trades. It was properly seen as a very important part of our economy and it continues to be.

Places like St Patrick's Technical College, which has always done a very good job, emerged from what was a troubled program, the Australian Technical Colleges program, under the Howard government, but it was always a very good school and that is why it found support from the previous government and the Catholic education system. It is a good school that trains about 300 students who do school based apprenticeships in years 11 and 12. On their website today, I saw that Geoff Goodfellow, a workplace poet, rather famous in South Australia, had visited the young students, the apprentices, and given them a different view of work. We know that that school does a really good job in the local area.

Likewise Craigmore High School—and I cannot speak more highly of this program—has got school based apprenticeships which are linked directly to jobs like SA Power Networks. They have been very supportive of a program that links young people who are at school with real work opportunities in the electricity power network to the extent that that school has got a Stobie pole—a very famous thing in South Australia—out the back for young people to train on. When you see young 15-, 16- and 17-year-old apprentices and students training on the pole with proper harnesses, learning what it is like to be at work, getting a feel for being a linesman, I know that this is a program which directly benefits not just the school but SA Power Networks.

Likewise at Balaklava high, which is a country high school in my electorate, the students there drive very modern tractors on their parents' farms at harvest time. When they went to school under the Howard government, they had to drive a tractor that was probably 20 or 30 years old. It had no GPS or any mod cons. It was an anathema to modern farming. One of the important things that that school did with its trade school program was to buy a new, modern tractor so that they could train students in modern practices. That school still has the old stooking machines—I reckon I might have been one of the last hay stookers around Kapunda.
Those days have happily gone and now farmers work in a more efficient and more modern way.

We hear a lot from those opposite about the minister's comments about Tools For Your Trade. It travelled a long way. You can see their denigration of apprentices and of the trades. The minister's denigration of apprentices and the trades was repeated over and over again in this House during this debate. He said that the Tools For Your Trade program was somehow misallocated, misused or abused. It travelled as far as the Daily Mail. The headline was 'Tattoos, parties and cars: how apprentices are spending $1 billion in government grants for tools on "whatever"'.

That is a damaging message for a minister to put out there. It is a really damaging, nasty message for those opposite to put out there. And it is an unfair message because the reality is that most apprentices are very happy to get their apprenticeships and the completion rate has nothing to do with the sort of anecdotal garbage we hear from those opposite on this matter. It has to do with wages, how you are treated at work and whether the apprentice has the perception of a fair deal between the employer and themselves. All of that is outlined in the occasional paper 'Understanding the non-completion of apprentices' by Alice Beedmarz from the National Centre for Vocational Education Research. I know other speakers on my side of the House have talked about various reports, but I recommend this to those opposite because there is not one mention in this of tattoos, fast cars, parties or any of that. There is a lot of talk about the way apprentices feel in their first year of work, about whether they are welcomed and about whether they are properly mentored.

We know that in most cases the completion rate is higher with big employers and the completion rate is low with small employers, so we have to help small employers with those completion rates. We know from these sorts of reports that mentoring, wages and how you are treated at work are terribly important. The idea of mutual obligation between the apprentice and the employer is tremendously important. This paper talks about the nature of that deal and says:

Apprentices will put up with a lot, including low wages, if what they get in return is fair … If they don't get a fair deal, then any aspect of the apprenticeship—like pay, repetitive work or a lack of workmates—can become a source of dissatisfaction and restlessness and impact on their commitment and likelihood of completion.

That is on page 19 of this very good paper. I think it goes to the heart of some of those issues.

We need to have an honest debate about completion rates. Some of the programs Labor put in place were about having an honest debate to try to address the reasons why people do not complete their apprenticeships. This government has cut all of those programs—not just Tools For Your Trade but the others I mentioned: all the mentoring programs and the programs where a small business might get some assistance in helping an apprentice in their first and second years. They are the things that have been savagely cut in this budget. What have they been replaced by? A loan. Those opposite might hail this loan as a great deal, the best loan that someone will ever get and all the rest of it, but we know what is going to happen to that loan. Slowly over time those conditions will be removed and an onerous interest rate will be put on, the loan book will be sold to a private provider and apprentices will be pursued by debt collectors and the like. It will be a very unfair system.
As I said before, what it will be all about is loading individuals up with debt. If they cannot take on that debt or do not have any capacity to service that debt, it will delay them entering the middle class, buying a home, beginning a family and starting a business. That will be the practical effect of these loans and these debts. That will be the practical effect of the Abbott government's intentions in this area not just in relation to those on the tools but those undertaking a higher education degree. Often there is a misnomer put about by those opposite that you can do either trades or a degree, but we know in the modern world so many people often do both. That is a good thing, not a bad thing, and that should be encouraged.

What we have got is the Abbott government damaging trades, shifting the obligation onto young apprentices, making the deal worse, making that idea of mutual obligation worse, not addressing the real issues in relation to completion rates and delaying people's entry into the middle class. This is a particularly savage thing for the government to do. Like with so much of those opposite's rhetoric, beneath the thin veneer of gloss there is endemic rust on the middle class of Australia. It is savage and wrong. We should not put up with it. We are going to support these bills but we do not support where this government is going in relation to apprenticeships, higher education and the entry of people into the middle class of this country.

Debate adjourned.

**Appropriation Bill (No. 1) 2014-2015**

**Report from Federation Chamber**

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

Ordered that this bill be considered immediately.

**The DEPUTY SPEAKER (Mr Goodenough)** (18:14): The question is that the bill be agreed to.

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

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

Question agreed to, Mr Palmer and Mr Wilkie voting no.

**Third Reading**

**Mr McCormack** (Riverina—Parliamentary Secretary to the Minister for Finance) (18:19): I move:

That this bill be now read a third time.

**The DEPUTY SPEAKER (Mr Goodenough):** The question is that this bill be read a third time.

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

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

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CHAMBER
Question agreed to, Mr Palmer and Mr Wilkie voting no.

Bill read a third time.

**Appropriation Bill (No. 2) 2014-2015**

**Report from Federation Chamber**

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

Ordered that the report be considered immediately.

The DEPUTY SPEAKER (Mr Goodenough) (18:22): The question is that the bill be agreed to.

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

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

Question agreed to, Mr Palmer and Mr Wilkie voting no.

Bill agreed to.

**Third Reading**

Mr McCORMACK (Riverina—Parliamentary Secretary to the Minister for Finance) (18:24): I move:

That this bill be now read a third time.

The DEPUTY SPEAKER (Mr Goodenough): The question is the bill be read a third time.

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

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

Question agreed to, Mr Palmer and Mr Wilkie voting no.

Bill read a third time.

**Appropriation (Parliamentary Departments) Bill (No. 1) 2014-2015**

**Report from Federation Chamber**

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

Ordered that the report be considered immediately.

The DEPUTY SPEAKER (Mr Goodenough) (18:27): The question is that the bill be agreed to.

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

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

Question agreed to, Mr Palmer and Mr Wilkie voting no.

Bill agreed to.

**Third Reading**

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (18:28): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

**Appropriation Bill (No. 5) 2013-2014**

Report from Federation Chamber

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

Ordered that the report be considered immediately.

The Deputy Speaker (Mr Goodenough) (18:29): The question is that the bill be agreed to.

Question agreed to.

Bill agreed to.

**Third Reading**

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (18:29): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

**Appropriation Bill (No. 6) 2013-2014**

Report from Federation Chamber

Bill returned from Federation Chamber having been considered up to and including the second reading; certified copy of the bill presented.

Ordered that this bill be considered immediately.

**Consideration in Detail**

Bill—by leave—taken as a whole.

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (18:30): I present a supplementary explanatory memorandum to the bill. I ask leave of the House to move government amendments (1) and (2) as circulated together:

Leave granted.

Mr McCormack: I move government amendments (1) and (2) as circulated together:

(1) Page 15, before Schedule 1, insert:
Schedule 1—Payments to or for the States, ACT, NT and local government

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<tr>
<td>Department of Infrastructure and Regional Development</td>
<td>Improved infrastructure across Australia through investment in and coordination of transport and other infrastructure</td>
<td>Minister for Infrastructure and Regional Development</td>
<td>Minister for Infrastructure and Regional Development</td>
</tr>
<tr>
<td>Department of the Prime Minister and Cabinet</td>
<td>Improve results for Indigenous Australians including in relation to school attendance, employment and community safety, through delivering services and programmes, and through measures that recognise the special place that Indigenous people hold in this Nation</td>
<td>Minister for Indigenous Affairs</td>
<td>Minister for Indigenous Affairs</td>
</tr>
</tbody>
</table>

(2) Schedule 1, page 15, omit the heading, substitute:

Schedule 2—Services for which money is appropriated

I am moving an amendment to Appropriation Bill (No. 6) 2013-2014 to insert a schedule that was omitted during the printing process. The error arose in the Office of Parliamentary Counsel’s printing process for the bill, which resulted in the omission of schedule 1 to the bill. This schedule refers to two outcomes, one related to infrastructure payments and the other relating to Indigenous services and programs. This schedule sets out conditions for payments to the states, territories and local government by allowing designated ministers to make determinations on how the relevant amounts are to be paid.

The new schedule 1 covers only two of the programs in the bill, and this provides for a total of nearly $319 million, which is for payments to states, territories and local government. What will now become schedule 2 is already included in the bill and sets out the full $972 million of appropriations in the bill. As this schedule was misnumbered as schedule 1, the numbering will be corrected by the amendment.

Bills are occasionally introduced with typographical errors which arise during or prior to printing processes and, for this reason, some of these issues can be corrected administratively through an amendment by a presiding officer. However, in this case amendments are required to give effect to what the government intended. We are looking at the bill-proofing processes to guard against future such problems.

Mr BURKE (Watson—Manager of Opposition Business) (18:33): I feel for the parliamentary secretary in having to deliver that speech, because the Treasurer certainly was not willing to come in and explain the fact that due diligence from the ministers in this
government was not done. What we have right now is the fact that, in bringing budget legislation into the House, the government lost just short of $1 billion—$972 million that was meant to be there was not. What line did we hear from the Leader of the House when they had a special resolution on this last week and from the parliamentary secretary now? Blame the public servants. The argument is: 'It wasn't the minister's fault; it wasn't the Treasurer's fault; it wasn't the fault of whoever actually introduced the bill to the parliament; it is the public servants' fault.'

I have to tell the members of this government: first and foremost, when you are elected to this place, you are legislators. If you introduce legislation which is missing fundamental operable parts, you have the courage to actually own the mistake yourself. Implicit in the speech that has just been given, saying, 'It's the public servants' fault,' is an argument that whoever introduced the bill did not even read the bill. If you read the substantive parts of this bill, section 3 refers, under 'Other departmental items', to schedule 2. Under 'State, ACT, NT and local government items', it refers to schedule 2. In section 6 of the bill, it refers to schedule 2. In section 9 of the bill, it refers to schedule 2 in subsection (a), and again in (c) and again in (e). Then, in section 11 of the bill, it again refers to schedule 2.

You would think, if you are a member of parliament and a minister introducing a bill, with that many references to schedule 2 you might at some point flick through and say, 'I'd better check what schedule 2 says,' only to discover it is not there. In not being there, nearly $1 billion of the budget got lost. Nearly $1 billion of the budget was never actually introduced to the parliament.

I would have some respect if the government were willing to say that they did not do the due diligence and that a member of parliament who introduced a bill, a Treasurer who takes responsibility for the budget, did not actually go through it in the level of detail that they ought. That would be an honest argument, it would be a fair cop on the chin and it would be a reasonable thing to do. But on two occasions now their approach has been to blame the public servants. Their approach has been to blame the printing process and say, 'We need to get administrative arrangements in better order.' I am sorry, Parliamentary Secretary, and I am sorry, members of the government; if you introduce legislation to this parliament, you are responsible for it. The people in charge of the printing presses do not get to introduce the bill. They do not get to be members of parliament. The people in administrative roles do not carry the responsibility of legislation. But those opposite now want us to believe that $1 billion can just get lost and, if that happens, 'Well, we'll blame the public servants.'

The parliamentary secretary should find out whoever wrote the speech for him—and that is not pejorative; in these sorts of measures it is common practice for there to be an executive decision about the words that will be used because they have legal effect. But whoever was responsible at an executive level for ticking that off should be well and truly ashamed of the fact that, what we have in front of us is a situation where due diligence was not done by the executive—not on some technical, legal, hard-to-pick issue but on the fact that, after all the references to schedule 2, it was not even there! Someone on that side of the House should have the courage to just say: they made a mistake; they did not do due diligence. Instead, we see what is standard form for those opposite: nothing is ever their fault; it is always the fault of someone else. And on this occasion, some poor public servant or printer is actually being told that it is their fault. Well, it is not. This is the fault of an executive that had a budget in
disarray, that is engaging itself in administrative chaos and that refused to engage in basic due diligence in introducing budget bills.

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (18:38): It is all well and good for the Manager of Opposition Business to come in here and point the finger and say that we should admit our mistakes. Sure, a mistake has been made, and I have come into the House and I have said that a mistake has been made. But, irrespective of who made that mistake, I would just like an admission from those opposite on the fact that for six years they made relentless mistakes—endless mistakes. And he claims that $1 billion has been lost in this process. Well, $1 billion has not been exactly lost. We are amending Appropriation Bill (No. 6) 2013-2014 on a technicality. But if we are talking about billions of dollars being lost, why is this nation facing $123 billion worth of deficits? This is $123 billion in deficits that has been lost, not to mention the $667 billion lost—lost—by Labor, going forward, if left unchecked by this side. But we will correct that, won't we, Member for Fadden?

Mr Robert: Absolutely.

Mr McCormack: We will fix that mistake up. And certainly the Australian people are looking forward to us getting on with the job of doing that.

Bill 6 provides for an appropriation of $972.365 million for the following activities. The Department of Agriculture will receive $40 million for drought programs. We are getting on with the job of making sure that those people neglected by Labor are looked after—making sure that those people in the far west of New South Wales and the south-west of Queensland who are facing severe dry conditions are looked after. The Attorney-General's Department will receive $5 million to fund royal commissions. The Department of Defence will receive $600 million for the procurement of defence equipment. The member for Fadden, the minister at the table, certainly knows how badly defence was let down when Labor was in government. That is not to mention the DFRDB and the DFRB indexation issues but also defence spending, which fell to its lowest proportion of gross domestic product since 1938 under Labor. And we all know what happened in 1939. So Labor let our defences run short—run low—and it affected every defence base. Certainly, it affected my Kapooka base, the Army Recruit Training Centre at Wagga Wagga, where all of the recruits go through and get trained for their important duties on behalf of this nation.

Bill 6 also provides for $294 million to the Department of Infrastructure and Regional Development to fund various infrastructure projects, because we know how important infrastructure is to this nation. We understand.

Labor promised a lot but delivered little. Labor said it was going to provide for important infrastructure projects in road and rail and everything else, but then did not have any plan to get on with doing it. The only plan that Labor has is to eradicate the memory of 7 September last year—election day. That is Labor's only plan. We heard the 13 May budget delivered by the member for North Sydney, the Treasurer, but just a couple of days later when the member for Maribyrnong, the Leader of the Opposition, stood to deliver his address in reply to the budget, we did not hear any plan. We just heard relentless negativity from the Leader of the Opposition, who is the chief complainant in this nation—the chief whinger. We did not hear any policies or any grand plan going forward to help the nation pay back the debt and deficit left to us after six years of hard Labor.
Bill 6 of the appropriations also allows nearly $29 million for programs to the Department of the Prime Minister and Cabinet to improve education, employment and community safety for Indigenous Australians. And that is so important. Senator Nigel Scullion, Minister for Indigenous Affairs, is a part of cabinet. He has that portfolio as a stand-alone portfolio position—something that this side of politics regards as being crucially important to the welfare of Aboriginal and Torres Strait Islanders in Australia.

A typographical error in Appropriation Bill (No. 6) 2014-15 has been identified which related to a cross-reference within that bill. We are getting on with the job of fixing the economy, fixing the debt and deficit legacy left to us by Labor, and we will do that because Australians deserve better. They certainly deserved better than what they got in the six years that Labor was in power.

The DEPUTY SPEAKER (Mr Broadbent): The question is that the amendments moved by the Parliamentary Secretary to the Minister for Finance be agreed to.

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mr McCORMACK (Riverina—Parliamentary Secretary to the Minister for Finance) (18:43): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

BILLS

Export Legislation Amendment Bill 2014
Export Inspection (Quantity Charge) Amendment Bill 2014
Export Inspection (Service Charge) Amendment Bill 2014
Export Inspection (Establishment Registration Charges) Amendment Bill 2014

Returned from Senate

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

Family Assistance Legislation Amendment (Child Care Measures) Bill 2014

Consideration of Senate Message

Bill returned from the Senate with an amendment.

Ordered that the amendment be considered immediately.

Senate's amendment—

(1) Schedule 1, item 2, page 3 (lines 7 to 13), omit the item.

Ms LEY (Farrer—Assistant Minister for Education) (18:45): I move:

That the amendment be agreed to.

I would like to update the House on the progress of this piece of legislation and, hopefully, illuminate the appalling and disgraceful behaviour of the Labor opposition in terms of this
bill. The Labor Party made it clear in the other place earlier today that they will not support both measures of the bill.

We note that the opposition in the other place has moved an amendment today to remove the childcare benefit component of this bill. They did not do it in the lower house when they had the opportunity last week. The shadow minister grandstanded and carried on and explained why the entire bill was nonsense.

Labor keeps repeating this made-up figure which they call our cuts to child care. In fact, there have been no cuts. In the childcare benefit measures of this bill there is a measure to pause the indexation of the two thresholds at which families become eligible to childcare benefit, but the amount of childcare benefit—the dollar amount of benefit that families receive per hour of care—will continue to be indexed. In debating the bill in the lower house member after member opposite talked about the cuts in this benefit—all of it completely incorrect. I again want to reassure Australian families that those cuts are not taking place. Those figures were invented by the member for Adelaide as the shadow minister.

In the Senate, the opposition moved an amendment this morning to remove the childcare benefit component. They moved the amendment which allowed the childcare rebate component of this bill to pass. It is important to distinguish between the two because we have had to bring Labor's childcare rebate threshold clause back into the parliament, over a year after Labor announced it. It was in Labor's 2013-14 budget that they would freeze the threshold of the childcare rebate for three years—making it their freeze for a total of six years. It was their measure alone. Unfortunately, they did not complete the legislative task but they took the savings of $106 million from that measure.

As I said at the time, the Treasurer, the member for Lilley, was absolutely desperate to make the budget that he had announced would be, I think, his fourth surplus—he knew it was going to be a deficit—as small a deficit as possible. So they took the savings, froze the childcare rebate for a further three years but did not introduce the legislation. They did not let the rubber hit the road and do the responsible thing.

So we had no choice but to bring the legislation back. In the lower house the member for Adelaide, as the shadow minister, refused even to consider it. As I said, there were a lot of histrionics and a lot of nonsense spoken, but quietly in the Senate the opposition moved the amendment. They did half the decent thing: to do the decent thing would have been to pass our entire bill. Obviously humiliated, and recognising that perhaps they owed some responsibility to do the right thing about a measure that was, after all, theirs, they moved an amendment in the Senate. So the freezing of the threshold for the childcare rebate will pass, if it passes as it comes back to the House now.

We accept that in order to secure the savings that Labor announced in the 2013 budget we will need to separate these measures. So the government will agree to the amendment moved by Labor in the Senate to remove schedule 1, item 2, page 3, lines 7 to 13. But we will hold Labor to their actions in government by agreeing to this amendment and seeing Labor's childcare rebate measure passed by this parliament. We give notice, in doing so, that we intend to reintroduce the childcare benefit measures as a bill in the House of Representatives as soon as possible.
It gives us no pleasure to have inherited the debt and deficit that we have from Labor. It
gives us no pleasure, as a party concerned about the pressures on families in terms of their
income and the availability of childcare. This is one small measure in a childcare policy
agenda; it relates more to fixing up Labor’s budget mess. We are doing many things in terms
of creating a better and more sustainable future for parents and families and child care that
matches family circumstances. But we make no apologies, once again, for addressing the
debt left to us by Labor—the $1 billion in interest paid every month—and we will introduce the
childcare benefit measure again into the House of Representatives. We will do the right thing
by the Australian people.

Question agreed to.

Social Services and Other Legislation Amendment (2014 Budget Measures No. 1) Bill 2014

Social Services and Other Legislation Amendment (2014 Budget Measures No. 2) Bill 2014

Explanatory Memorandum

Mr ROBERT (Fadden—Assistant Minister for Defence) (18:51): Acting Deputy Speaker, I
present a correction to the explanatory memorandum for the Social Services and Other
Legislation Amendment (2014 Budget Measures No. 1) Bill 2014. Acting Deputy Speaker, I
also present a correction to the explanatory memorandum for the Social Services and Other

COMMITTEES

Public Works Committee

Report

Mrs ANDREWS (McPherson) (18:52): On behalf of the Parliamentary Standing
Committee on Public Works I present report 4 of 2014, Referrals made March 2014, AIR
9000 Phase 5C Replacement Chinook Facilities Project, Townsville, Queensland; and
Defence Terrestrial Communications Network Facilities and Infrastructure Project. I seek
leave to make a short statement in connection with the report.

Leave granted.

Mrs ANDREWS: On behalf of the Parliamentary Standing Committee on Public Works I
present the committee's fourth report of 2014, addressing referrals made in March 2014. This
report deals with two referrals, both from the Department of Defence, with a total estimated
cost of $185.9 million.

The first referral was for the AIR 9000 Phase 5C Replacement Chinook Facilities Project
in Townsville, Queensland. The project cost is $54.8 million. The Replacement Chinook
Facilities Project proposes to provide new and upgraded facilities for the 5th Aviation
Regiment RAAF Base Townsville to support the introduction and operations of the new
helicopters and associated integration systems.

The facilities proposed include those directly associated with the storage, security and
maintenance of the new helicopters as well as facilities for the indirect capability
requirements, such as working accommodation, training needs and infrastructure engineering

CHAMBER
The project will enhance the Army's Land Force and Aviation capability by improving efficiencies in the delivery of the capability through the position of either new or expanded and modified facilities. The committee conducted an inspection, public hearing and in camera hearing, on the project, in Townsville. Consequently, it is satisfied that the project has merit in terms of need, scope and cost and recommends that the project proceed.

The second inquiry in this report is Defence's Joint Project 2047 Phase 3 Defence Terrestrial Communications Network Facilities and Infrastructure project, referred to as JP2047. The project cost is $131.1 million. The purpose of JP2047 is to upgrade, replace, standardise and rationalise the information and communications technology facilities and communications infrastructure. Work will be carried out at 282 geographically dispersed Defence owned and leased sites within Australia, in all states and territories. The project will transform the Defence Terrestrial Communications Network, once completed in June 2016.

The committee received a private briefing, followed by a public and a private hearing on the project, from representatives of the Department of Defence, Joint Project Management and Telstra Corporation, in Canberra. The committee is satisfied that the project has merit, in terms of need, scope and cost, and recommends that the project proceed. I would like to thank members and senators for their work in relation to these inquiries and I also thank the secretariat for their ongoing support to the public works committee. I commend the report to the House.

BILLS

Trade Support Loans Bill 2014

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

to which the following amendment was moved:

That all the words after "That" be omitted with a view to substituting the following words:

"whilst not declining to give the bill a second reading the House notes that the Government has failed to:

(1) advise apprentices that they would be abolishing the Tools for Your Trade program, thus leaving Trade Support Loans as the only form of assistance for the purchase of tools;
(2) adequately explain in clear language the interest rates and full liability of these loans;
(3) offer adequate protection for school based apprentices aged under 18;
(4) offer fair and reasonable transition arrangements for current apprentices;
(5) put in place adequate privacy protections for the large volumes of information that will be acquired through the Trade Support Loans Program; and
(6) offer apprentices the option of lump sum payments in order to purchase expensive items."

Mrs ANDREWS (McPherson) (18:55): I rise today to strongly support this legislation. It delivers on our election commitment to provide interest-free loans of up to $20,000 to young Australians completing apprenticeships. This is a common-sense measure that will help more young people complete their apprenticeships and, along with other measures our government is introducing, will begin to address Australia's skills shortage.
Vocational education and training is important to building Australia. The prosperity of this nation and our communities does not rest just in the hands of university graduates and office workers but also in the hands of the craftsmen, labourers, builders and artisans of our country. We want young people to have confidence so that when they start to learn the tools of trade they can see those skills put into use through a long career.

This is our ambition, yet we are up against worrying trends. About 20 per cent of apprentices drop out of their first year, with 30 per cent not making it to the end of their second year. Only about 50 per cent of apprentices make it to the end of their training. This is a lost opportunity for industry and a lost opportunity for individuals. The obvious solution, for stopping this trend and skills shortage, is to make it easier for Australian apprentices to train and get skilled up. This bill today provides that first step in creating a VET system that supports apprentices and trainees on the road to a great career.

The Trade Support Loans provide loans of up to $20,000 for apprentices to help them complete their training, which will be paid monthly in arrears and repaid by the apprentices in a similar fashion to HELP. With the passage of this legislation, apprentices will be able to opt into the loan from 1 July 2014, in line with the year of their apprenticeship. For instance, a second-year apprentice will be eligible for the second-, third- and fourth-year payments, if they wish to receive them. The value of the concessional no-interest nature of the loan is expected to be worth between $8½ thousand and $10,000 on average during the life of a loan, which is substantially more than apprentices received under the previous government's $5½ thousand Tools For Your Trade handout.

Others in this debate have spoken about the anecdotal evidence that the money from the previous Tools For Your Trade handout was spent on a variety of personal things rather than on equipment or costs associated with study. I have heard those opposite say that there is no evidence to support the misuse of Tools For Your Trade. That is not true. We in the government understand the VET sector, and we understand its current limitations. The minister has been very proactive and has actively sought the views of the sector on a wide range of issues.

I have been involved in several of the VET reform workshops held around this country and have had first-hand advice, from those in the sector, about the way Tools For Your Trade has been used. The common view is that the cash is not just used for tools but is used for other lifestyle type purchases, if I can call them that—such as surfboards, PlayStations and holidays. This anecdotal evidence also comes directly from the Apprenticeships Centres. So the misuse of the Tools For Your Trade handouts should be seen as a fault of the system. It is effectively a system that has been set up for use by apprentices to support whatever it is they want, not necessarily for use to support the tools they need for their trades. Many employers were having to buy tools for their apprentices to use, while the Tools For Your Trade handouts were being used on anything the apprentices wanted.

We see this as a fault of the system, and it is one we are fixing. While the new trade support loans will not come with any provision on how the money is spent, the fact that it is repayable ought to ensure that young people who choose to take part in this scheme take the support more seriously than they were likely to when the money was just a cash bonus given to them.
Further, the apprentices must opt in to the loan every six months, so the debt does not just accrue without notice. Under this scheme, loan recipients are not just given a blank cheque with no accountability. They must take charge of this decision, and, hopefully, the added responsibility that comes with accepting this payment will give apprentices the incentive to place the funds towards costs associated with their training. This six month opt-in period means that, if their needs change, they can then opt out of their loan whenever they wish and will only have to pay back what they have borrowed—and only when their income reaches around $50,000. However, the loan will be reduced by 20 per cent—which is possibly up to $4,000—when the apprenticeship is completed, providing a massive incentive for apprentices to stick with their training.

The eligibility criteria to receive a trade support loan will be the same as under the Tools For Your Trade loan scheme, meaning that any apprenticeship or traineeship for an occupation on the National Skills Needs List or in the agriculture and horticulture sectors will provide eligibility for the loan. This is a timely change, especially following the Fair Work Commission's decision to increase apprentice wages, with some employers providing tools for their apprentices and most awards including a tool allowance.

I am very pleased to support this legislation. As I conclude, I want to let the almost 2,500 apprentices currently training in my electorate know that this government is serious about fixing the skills shortage, reforming the VET sector and providing them the opportunity to get ahead in their career of choice. This bill is merely one step down the road and I look forward to great reforms still to come. I commend the bill to the House.

Ms OWENS (Parramatta) (19:01): Doesn't the Abbott government love debt! Here we have another case of it: providing access to debt to young people. We have seen it for university students—raising fees massively and then increasing interest rates, creating debt as far as the eye can see for people graduating from university—and now we see it with these training loans of up to $20,000 for people as young as 16 who are still at high school.

A country's resilience depends on the household balance sheets as much as it depends on the government's, and we see here a government that is prepared to see our young people start their lives with rising debt levels. It is an extraordinary contribution to the future of this nation by a government that claims that debt is bad, but not if they can give it to someone else. It is also worth commenting on the decision by this government to go down this path. The excuse they used in raising fees for universities and introducing these $20,000 loans for trade apprentices is that they need to address the country's deficit. Yet, if you compare the budget outlook through the forward estimates to PEFO—the Pre-Election Economic and Fiscal Outlook—that is prepared under the Charter of Budget Honesty which Peter Costello introduced, you can see that they have not managed to reduce the debt at all. In fact, the deficit is slightly larger, and we come back to surplus, on their projections, some two years later. So on the one hand they have actually increased the debt relative to the pre-election fiscal outlook, and on the other hand they are also raising debt levels for young people who are starting out in their first years as adults.

One has to wonder how much consulting they did on this to come to the conclusion that providing a $20,000 loan rather than an upfront payment to provide tools would increase the completion rates. We hear from members opposite that one of the problems is that one in two apprentices are not finishing their apprenticeship, and this providing of a loan rather than the
Tools For Your Trade payment will somehow increase that completion rate. I wonder, though, how it would have any impact at all if an apprentice is actually put off by their employer—if the employer stands them down and they are no longer in their apprenticeship. How does having a loan help that apprentice complete their apprenticeship?

They say that one of the reasons they are doing this is that apprentices have been out buying mag wheels and going on holidays with their Tools For Your Trade Payment. Where is the evidence that providing a loan will not have that result? Assuming that young apprentices do actually buy mag wheels—and I know many who do not do that—how does providing a loan change the behaviour at all? I would love to see the research for that. If, even in the first few months, an apprentice decides that the apprenticeship is simply not for them—if maybe they cannot physically do it, or they thought it was one thing and it is not—how will providing loans keep that person in the apprenticeship? And should it keep that person in the apprenticeship?

I always love this government's maths, and their maths tends to bring them down every time. One of the claims that they make on the government's side is that, by providing a 20 per cent discount on that $20,000 loan at the end of the apprenticeship, apprentices will be incentivised to complete the apprenticeship. But, again, if you look at the figures—and I doubt that the government actually has—43.9 per cent of apprentices in the trade area actually drop out in the first two years, and another five per cent drop out in the third year. In the fourth year, the percentage is very small. But 43.9 per cent drop out in the first and second years, and, by my very quick calculations, if you are taking out the loan at the rate that you are allowed—which is $8,000 in the first year and $6,000 in the second year—it is actually cheaper to drop out at the end of your second year than it is to complete the apprenticeship and get your 20 per cent discount. So if you decide that the apprenticeship is not for you, not only would you need to waste another two years to get your 20 per cent discount, but also your loan would be bigger at the end of that time, not smaller. The financially sensible thing to do under this arrangement is to drop out in those first two years if that is what you choose to do. It simply does not make sense.

In the construction sector, the figures are even more stark. Forty-eight per cent of apprentices drop out by the end of the second year and 51.8 per cent drop out at the end of the third year, and that is pretty much where it sits by the end of the fourth year. So, again, for that 48 per cent of people who drop out by the end of the second year, their cheapest option is to do exactly what they are doing. If they finish their apprenticeship and stay there for another two or 2½ years, their debt will be bigger even with the 20 per cent discount than it would be if they drop out. On the figures alone, this is not a rational decision and certainly will not achieve what the government expects it to achieve. What it will do is leave a large number of young people who decide that the apprenticeship is not for them, who lose their apprenticeship because the employer puts them off or who find that physically they just cannot do it with debt which will hinder their ability to start their lives on a firm financial basis.

One of the other issues that we raise a lot on this side of the House is the misinformation that the now government gave out when in opposition. Prior to the 2013 election Tony Abbott announced the trade support loans but did not announce that they were going to scrap Labor's $1 billion Tools For Your Trade apprentice program, which gave $5½ thousand per
apprentice to help with buying tools. This now means that, as of 1 July, apprentices who enter their apprenticeship on one basis, who were planning on using a payment later on this year to pay for tools and who may already have entered into a payment plan to do that, will suddenly find that payment not forthcoming. It is usual when governments make changes like this to recognise that people have quite often made decisions based on one policy and to ease the change so that those rational decisions that people made can be followed through to their logical conclusion. But again, before the election, Tony Abbott did not tell apprentices that as of 1 July they would lose up to $3,700 for a first-year apprentice, and first-year apprentices are expecting that payment very shortly. Being young people, they may already be depending on that.

The new program—the trade support loans—are not lump sum payments. They are not payments that are designed to help young apprentices with those lumpy payments they have to make when they buy their tools. They are not designed for an apprentice who, for example, may need to buy a second-hand ute to get to a site. They are not the lumpy payments that an apprentice chef would have to make when they buy their knives. Those knives, by the way, if you have never bought a chef's knife, are incredibly expensive. They are in the hundreds of dollars per knife—increddibly expensive gear. You will find the same for carpenters if they are buying good tools. You will find the same for many apprentices. There can be very expensive, lumpy payments that come along in the early years of an apprenticeship because they have to buy tools.

These payments are actually designed as if they are income support payments: paid monthly in arrears. Again we hear members of the opposition saying that young people can save up those payments to buy their tools, but again we are talking about very young people here—people as young as 16, still in school, 18-year-olds and 19-year-olds—with not a lot of life experience or experience in managing income. In fact, this might be their first income, and they are being asked to manage saving up payments in order to buy quite expensive tools. It is really quite challenging for many young people who may be entering the workforce for the first time and receiving the first payments and who will find themselves in quite severe financial difficulties because of the low payments, particularly in the first and second year. These are young people whose wages will be very low in the first and second years—particularly the first year—because their skills are not of great use to the business employing them, and so their wages are very low in the first year. Asking a young person to manage saving up these monthly payments when they are in really quite serious financial difficulty in order to buy tools is a very big ask. It is difficult to see how this system of monthly payments will stop apprentices from spending their money on things other than tools. It may not make it easier for the odd apprentice who, as the opposition keeps saying, wants to go off and buy mag wheels, but we will probably see apprentices spending it on rent, food and all the other things they need and still not being able to buy their tools at the end of the day.

We on this side of the House will not oppose the bill. An optional loan is the government's policy and was the policy before the election—one of the few policies that they are actually following through on—but we do not believe it should be at the expense of the Tools For Your Trade scheme. We also believe that, if a loans scheme is in place, there should be appropriate advice requirements in place to ensure informed and voluntary decisions by apprentices, some of whom, as I have said, are school based apprentices as young as 16 years
of age. One could come to the conclusion, for example, that a 16-year-old perhaps should have their parents' permission before entering into a loan of $8,000 in the first year. A 16-year-old is very young to be making that decision.

The bill has been referred to the Senate Economics Committee to examine the payment mechanisms, the payment of monthly instalments of the loan amount and the loan terms and conditions into the future and to consider what protection young people, particularly those under the age of 18, should have in terms of general loan advice and parental approval. These are incredibly important aspects that should really have been considered prior to this policy announcement. The level of consultation on this has been quite poor, and it shows in the poor design of the program.

Another issue of real concern to this side of the House is the government's confirmation that they are looking to outsource debt management for trade support loans. Again, placing young people who have entered into debt of up to $20,000 at a time in their lives when they are not high income earners and may not be for quite some time in the hands of private debt collectors is a worry. We do not think it is a good idea at all, but we are waiting to see what the conditions of such a thing would be. We are waiting to see how a government would regulate to ensure protection of 16-year-olds from private debt collectors.

Again, these are not people who have experience in earning a living, they are not people who have experience in handling their own money—they are learning their way through that. By the time they graduate as an apprentice they would have been through four years at least on very, very low wages. They will have, on this program, at least $20,000 in debt and they will then be, of course, going through the process of trying to find the best place to work in a sector that is increasingly contracted out and really quite volatile. We all know that construction, for example, is one of the first areas in the economy that starts to slow down. If things get bad we will probably find apprentices with their $20,000 of loan who have managed to pass the income threshold and are beginning to pay off those debts who find themselves in and out of the workforce quite frequently in their early lives and eventually have to work as contractors in order to make a living—again, with volatile incomes which make it even harder to manage regular loan payments and potentially with private debt managers on their backs.

There are a lot of aspects of this bill that are very worrying. I go back to the initial point: this is a government that claims that debt is bad but is very, very happy to saddle very young people with debt at this level at the very early stages of their adult life. I would ask government members to seriously consult on this and see if they can find ways around some of the issues that I have raised.

Ms PRICE (Durack) (19:16): I rise today to speak on a piece of legislation that will provide the framework for the delivery of new jobs for Australian workers and for Australia's investment in the highly skilled future workforce. To do this, the Abbott government is implementing key policy measures, including the Trades Support Loans Bill 2014, which is before the House today. This is a program that directly invests in our apprentices by providing the support they need to complete their training.

One of Australia's key focuses is on ensuring our future generations are provided with a highly competitive and internationally recognised education. However, not all forms of education and training are facilitated in the classroom or at a university level. The Abbott
government recognises this distinction and the need to invest in education not just for university students but for those whose employment future lies in a trade, such as carpentry or as a diesel motor mechanic—two trades that are currently listed on Australia's National Skills Needs List.

The establishment of the Trade Support Loans program was a key election commitment by the Abbott government. The Trade Support Loans program is a $1.9 billion investment by this government to support our apprentices financially, with the overall aim being to help increase training completion rates, which are currently a serious concern for Australia's future workforce, particularly in regional Australia. In fact, 20 per cent of trade apprentices drop out by the end of their first year and around 30 per cent by the end of the second year. Research has highlighted that a key reason for this high rate of dropouts is the associated wage in the early years of an apprenticeship.

The Trade Support Loans program is one measure that this government is introducing to help ease this financial burden, increase the rate of trade completions and to ensure that Australia has a highly skilled workforce in the future. From 1 July, apprentices will have the opportunity to apply for loans of up to $20,000, which will be repayable once apprentices are earning a sustainable income. Let us be clear: in the first year an apprentice can have $8,000 to support themselves, $6,000 in their second year, $4,000 in their third year, and $2,000 in their fourth year. Repayments will function in the same manner as Australia's FEE-HELP loans, which are received by university students. They will be repaid through our taxation system at the same income thresholds as higher education loans. Loans will be indexed annually in line with CPI and, as we know, when a loan is subject to CPI this simply means that it is adjusted based on the cost of living.

The program has also been set up with a significant incentive for apprentices to complete their trade, with a 20 per cent reduction in the amount of the loan they have accumulated throughout their apprenticeship once they complete their training. This program will effectively replace Labor's Tools For Your Trade payment, which had become an unaccountable handout under the former government.

In Durack, one group who make a significant contribution to the electorate by helping to increase the amount of people who complete their traineeships in industries such as engineering, mining, automotive, tourism and agriculture and horticulture is Kimberley Group Training. KGT achieves this by helping to establish career pathways through training, sustainable employment opportunities and support services under the stewardship of CEO John Gummery and board chair Peter Stubbs. I was very pleased to recently join with the Minister for Indigenous Affairs, Senator Nigel Scullion, in announcing funding of $187,000 for this organisation under the government's Indigenous Employment Program to support Indigenous job seekers in the Kimberley to gain trade and traineeship qualifications. Despite organisations like KGT, in Western Australia there was an overall decrease in the number of apprenticeship completions in 2012-13 of approximately six per cent, while there was also a decrease in the number of apprenticeship commencements across all regions of WA of approximately 12 per cent. However, completions in building and construction in rural WA did increase by approximately 28 per cent in 2012-13. But the same cannot be said for most other trade sectors, which saw stagnant or lower completion rates during this same period.
The Trade Support Loans program is a key policy initiative by the Abbott government that focuses on improving these completion rates.

If we want a strong, highly skilled workforce for the future, especially in Durack, then we need to act now to create it. Supporting our apprentices when they need it most is how this will be achieved and should be supported by all. I commend this bill to the House.

Ms HALL (Shortland—Opposition Whip) (19:21): I rise to speak on the Trade Support Loans Bill 2014 and the Trade Support Loans (Consequential Amendments) Bill 2014. This bill establishes the Trade Support Loans program for Australian apprentices. These loans will be concessional and income contingent, with a lifetime limit of $20,000 indexed from 2017. The loans are repayable when the person's income reaches the Higher Education Loan Program—that is, HELP—repayment threshold. The bill allows for a 20 per cent discount to be applied for the loan incurred when an Australian apprentice completes their apprenticeship.

The opposition will be supporting this legislation, but there still remain a number of concerns in relation to its position as far as apprentices are concerned. This government has a record of saying one thing before an election and another thing after the election. Prior to the 2013 election, Tony Abbott announced the Trade Support Loans. He did not tell apprentices that the government was going to scrap Labor's $1 billion Tools For Your Trade Payment, which is $5,500 per apprentice. I think this was a mean and tricky trick. This is the government only telling part of the truth: 'Yes, we'll give you a loan, but, no, we're not going to pay for the tools of trade.' It is an absolute disgrace that this government says one thing before an election and another thing after the election and tries to trick the Australian people by using words with double meanings and framing all of its comments in a way that can mislead people.

I am really appalled at what this government has done in so many areas. Like many members in this parliament, I have been contacted by a number of apprentices, and even by employers who are committed to employing apprentices. They can see that this legislation is going to cause some hardship and leave young people with debts into the future. I think about one of the employers not far from my electorate, Heather, who has a hairdressing salon, Feathers. She has been employing apprentices for well over 20 years. She is totally committed to employing apprentices. She has two apprentices at the moment. One is a school-based apprentice. With no access to Tools For Your Trade Payments, this legislation forces school based apprentices—and the apprentices that Heather employs—to borrow money to buy the scissors, hair dryers and all the other equipment that hairdressers need. It forces young people into a situation where they will incur debt. I want to put on the record my thanks to Heather from Feathers for the great job that she has done and the commitment that she has made to apprentices. She is a model for employers throughout this country for the fact that she understands that, at one time, there was a hairdresser employer that gave her the opportunity to undertake her apprenticeship. She took that opportunity and is now providing that opportunity to young people in the electorate I represent. I encourage more employers throughout Australia to do what Heather does and to take on apprentices.

In doing so, I have to say that I am very disappointed with the government—particularly with the minister, when he said that young people were using the money that they received from the Tools For Your Trade Payments to buy mag wheels for their cars and to get tattoos. I was listening to the debate a little earlier today and heard one of the previous speakers in the
debate saying that apprentices can borrow the money that will be available through the Trade Support Loans Bill to buy a car. On one hand, you had a situation where apprentices were getting money to purchase their tools of trade, and now they are going to be forced into a situation where they must borrow the money to access those tools of trade. To be quite frank, I do not think it is good to force young people into a position where they need to access loans to be able to purchase tools and equipment. It really puts them in a position where they are incurring a huge cost right at the beginning of their working life.

The provision of the optional loan is not opposed by us on this side of the House, but it should not have come at the expense of the tools of trade scheme. The two schemes should run together. Unfortunately, the Abbott government is showing its real commitment to apprentices by axing the tools of trade scheme, the Australian Apprenticeships Access Program, and another scheme that I am particularly supportive of, and have been over a number of years: the Australian Apprenticeships Mentoring Program. That program works to help those young people who are undertaking an apprenticeship and who may be struggling, for either financial or social reasons. They might be struggling with one aspect of their apprenticeship, and that mentoring service program allows them to get the support that they need to get through their apprenticeship. I have spoken to apprenticeship organisations, and they have told me just how important that scheme is and how so many of their apprentices have benefited from the scheme. This government is cutting those programs that have helped so many young people when they have been undertaking their apprenticeships. There are a number of issues that I don't think are very clear at this stage: the government hasn't been very clear about the financial considerations, which are a major barrier for apprentices taking up training or completing it; and the measures will have little impact on the skills shortage.

In Australia we have had a chronic skills shortage for a number of years. When Labor was in power, we addressed this shortage by putting in place a number of programs that helped young people take up apprenticeships and by targeting areas where we needed apprentices. Unfortunately, this legislation will do very little to attract young people to undertake apprenticeships.

In the Hunter and Newcastle, many young people have undertaken apprenticeships over the years. I remember years ago when I was working in the employment area young school leavers or final-year students would come in and I would ask them what they wanted to do. A very high percentage of those young people said they wanted to be hairdressers—that tended to be the girls—boilermakers or fitters. I truly believe that young people who express a desire to undertake apprenticeships in the future will struggle to access them with this legislation.

A person taking out one of the loans will not completely repay it until they have paid back any HELP debt they have. That is pretty hard for a young person, and it has the potential to extend the time taken to repay the loan considerably. The relatively low income of many tradespeople, particularly when they first start out, is going to lead to this period being drawn out and to the possibility of there being a high default rate. This could mean that the program is going to cost the taxpayer a lot of money. The program is available to cert III and cert IV courses, and the loan must be paid to the apprentice at the completion of each instalment period.

In the shadow minister's contribution to the debate, she said that the government did not advise the Australian people before the last election that they were going to abolish the Tools
For Your Trade program. Also they have not adequately explained this legislation, the interest rate or the full liability of the loans in plain English. They haven't offered adequate protection for school based apprentices under the age of 18, and that raises a question: is this government asking young people under the age of 18 to sign a contract? If not, they will need to involve their parents or guardians. They need to explain to the Australian people how this will work and make sure that career counsellors—who no longer have access to the Job Guide or myfuture, because this government is defunding those fantastic tools—in schools know how this program will operate so that they can give the right advice to the young people who are leaving school.

The shadow minister also raised the issue of fair and reasonable transition arrangements for current apprentices. This legislation is pulling the rug out from under the feet of young apprentices—those who have made decisions based on the programs that were in place. There is no grandfathering of the previous program and it is not allowing young people who have made a commitment to undertake an apprenticeship to finish their apprenticeship under the rules that were in place when they started. It is changing the rules and shifting the goalposts in the middle of a game, and that isn't good enough. The government needs to rethink that aspect of it, make sure that there is adequate privacy protection—that is, point 5 of the amendment that was moved by the shadow minister—and offer apprentices the option of lump sum payments in order to purchase expensive items.

There are a number of very short-sighted moves accompanying this program. The apprentice mentoring program and Tools For Your Trade program are ending, and this undermines the legislation. As I said at the commencement of my contribution to this debate, we, on this side of the House, will not be opposing this legislation but we certainly have a number of concerns. I hope I have outlined fully the concerns that I have for those apprentices and the employers who have made the commitment to offer young people apprenticeships. While supporting this legislation, I have some serious concerns.

Mr TAYLOR (Hume) (19:36): Few issues can be more important for the future of this country and certainly the future of my electorate than the twin problems of chronic youth unemployment and chronic skill gaps. To understand the situation we have and the trade support loans bills that are before the House, it is worth going back over some of the problems created by the last government. From 2004 to towards the end of 2007, under the previous Howard government we saw 13 per cent increases in youth employment rates but between 2008 and last year we saw an eight per cent reduction in youth employment rates, whilst the overall employment market increased by eight per cent, and we saw the participation rates for people under the age of 25 falling from 71 per cent to 66 per cent, having climbed in the previous five years. We are at the point now where we have youth unemployment rates of 12.4 per cent, compared to just under six per cent for the overall economy. We are now at the point where one in three unemployed people are aged under 25 and we have hot spots of youth unemployment in places like Burnie and Devonport of over 20 per cent. So this is a very serious problem that the previous government failed to address.

Let us take a deeper look at apprenticeships and training. In the final quarter of 2013 commencements in apprenticeships dropped 19.6 per cent when compared to the previous year and completions decreased by 24 per cent relative to the previous year. These numbers are worrying but the numbers are even bleaker for trades and technical training in particular.
We see—and we have heard this from previous speakers—that fewer than 50 per cent of people are finishing their courses. We are consistently seeing that now.

The Department of Employment has done some notable research in the area. In a 2013 report it demonstrated that shortages exist for a number of occupations, particularly amongst the trades. The concentration of skill shortages within trades is demonstrated by the fact that six professions were in shortage in 2013 and 18 technicians and trade worker occupations were in shortage. Some of the specific areas, which are of great concern to my electorate, include: food trades, where only slightly over 50 per cent of the positions are filled; construction trades; and resource related trades, where again slightly over 50 per cent of the positions are filled. Further, that report said, with regard to food trades:

- Recruitment of food trades workers remained difficult in 2013, with around half of surveyed vacancies filled … and 1.5 suitable applicants per vacancy (compared with 1.8 in 2012).

In addition to that research, the Australian Industry Group employer survey from 2012 shows that technicians and trade workers represent the most significant areas of skill shortage. It is a much larger number than for any other occupational group, with 33.3 per cent of survey respondents noting shortages in this area. The AiG report summarises:

Completion rates for Australian Apprenticeships are unacceptably low at approximately 55.4%. This represents a significant economic cost—and it is a great problem for the economy. Our policy, which is in the legislation in front of the House, is aimed at addressing this. I will not repeat the details of the policy. In contrast to what we heard from the member for Shortland, it is worthwhile looking at what the experts have to say about this legislation. Again the AiG, the Australian Industry Group, said:

The Trade Support Loans Scheme is a positive step, enabling apprentices to access financial support over the course of their apprenticeship. We particularly commend the completion incentive built into the loan structure.

That is a very important part of the structure of this policy because it is designed to get people to finish their courses. We know that is as big a problem as getting them to start. Finally, we heard from the NGO by the name of BUSY, whose CEO is Paul Miles:

The Trade Support Loans are a fantastic solution to ease the financial burden by providing apprentices with real support while they complete their skills training.

I commend this legislation to the House.

Ms MacDIERNAN (Perth) (19:42): It is quite amazing that the program before us is being hailed as something that is going to encourage more people to enter the trades. The primary argument appears to be that it will encourage them to continue and complete their trade training. If we look at the package in the trade support loans bills that the Abbott government is delivering, we will see results very different to that. It almost beggars belief that they could claim that a government that is cutting $5,500 from each apprentice—without any electoral mandate whatsoever—is somehow adopting a stance that is likely to encourage more apprentices into training and encourage those apprentices who are training to stay in training. It is absolute nonsense.

We are supporting the legislation here tonight because this trade support loans program is really now all that is going to be on offer for apprentices and to stimulate trade training, but we have to say it is a vastly inferior package to that that was available under Labor. Labor
positively encouraged apprenticeships. We had a meeting the other day in Perth of a group of young apprentices from a whole range of trades. There were about 15 young guys there from the Princess Margaret worksite. They were appalled by the statements that had been made by ministers of this government. The Minister for Industry said that the problem with the Tools For Your Trade program that had been offered under Labor was that they all raced off and got tattooed and were not spending it on their trade training. That is completely contemptuous of these young people who have embraced trade training. Indeed, it is treating these apprentices in a way that no government would ever deal with any business. The idea that these young people have signed up to apprenticeships understanding that they were going to get, over the course of their trade training, a tax-free benefit of $5,500—having signed up and committed themselves to take on jobs that are, it would be fair to say, very modestly paid—to then find the ground rules have changed is, I believe, unacceptable. It is a bad policy. To introduce this in such a way that those people who have already made a commitment to an apprenticeship—who have started their training and entered into financial commitments—then find the ground rules have changed is particularly unacceptable.

What we are seeing happen is apprentices are now being hit twice. Not only are they losing the Tools For Your Trade scheme, they are also facing the actions of state governments. In Western Australia, in particular, I know that with the deregulation of TAFE fees the cost of doing an apprenticeship has increased very dramatically, particularly for those young people who are working for smaller employers and have to cover their own fees. This is a huge liability. We have lots of people now in their second or third year of apprenticeship and suddenly all the ground rules have changed. Not only are they losing their Tools For Your Trade assistance scheme for the life of their apprenticeship, they are also being required to pay much higher apprenticeship fees.

I will quote a few people. Mercey contacted us. He is a young apprentice carpenter from Perth in his 20s. He has two jobs: he is an apprentice during the week and he works at the local supermarket each weekend to make ends meet. In total, working that seven days a week earns him the princely sum of $870. He works for a very small employer and has to cover the cost of his own fees which are now, he tells us, some $12,000 over three years. He is absolutely stunned that the government could unilaterally take away Tools For Your Trade, which had been very much a part of his decision-making on going into his apprenticeship. To suggest that taking out a loan for $20,000, that will have to be paid back, is in any way a better deal for him is just a complete and utter fantasy.

Danielle has contacted us. She is very concerned. Her partner has finished all the coursework for his adult apprenticeship in light vehicle mechanics and was due for his final payment not long after the cut-off date. Danielle and her partner have two children and the Tools For Your Trade payment was used to purchase all the extra tools he needs to do the job that an already tight budget could not stretch to. Here you have a young man, with a young family, seeking to obtain skills. Obviously, it is hard to manage with a family on the very modest pay of an apprentice. Now the Tools For Your Trade payments have been cut it will be so much more of a struggle. How is this going to encourage more people into apprenticeships? It is absurd.

We had Erica contact us. Erica is a hairdressing principal. She said:
I have just heard from my hard-working, low paid young hairdressing apprentices that the Tools For Your Trade payment has been cancelled from July. This is a great disadvantage to them, considering they pay their own TAFE fees and have to purchase all their tools while earning under $11 an hour for their first year. A set of straighteners for a professional can cost at least $2,000.

A whole $8.30 a week! We should be supporting apprentices.

Mr Nikolic: Luckily the trade support loans will cover it!

Ms MacTIERNAN: They now need to, on their very low income, enter into a loan! Obviously this makes this a much more unattractive proposition. I find it extraordinary that you cannot see that. Of course, they can go and take out a loan!

I do not know whether you expect that hairdressers, once graduated, will be earning anything like doctors and lawyers. I suspect not. This whole proposal is predicated on treating trade training like university education because people who have university educations, the argument goes, make 75 per cent above the average earnings, so they can afford to pay these higher contributions. That is why we are asking them to repay more money more quickly.

Mr Nikolic: You don't have to borrow the full amount!

Ms MacTIERNAN: That is just for one item. Just borrow it!

If we go back to the basics, we see there is a decline in the take-up of trade training in this country. We are going to go out and stimulate that. How are we going to stimulate that? We are going to remove a tax free grant, structured over the life of the training; we are going to take that away and give them a loan. That is really going to get people fired up; that is a much better deal!

Not only that, it does not actually deal with some of the real issues around the attrition rate of apprentices. The member for Parramatta set out some very good economic arguments as to why this structure certainly will not be conducive to encouraging people to continue with their apprenticeship. One of the key things we have to do is expose young people to trades earlier. The development of trade training centres in schools was very much part of that. While they were still at school, young people in year 9 and year 10 on had the opportunity to try out different trades—to get an understanding of what it is like to work with metal, what it is like to work with machines or what it is like to work with wood—and acquire some of those cert I and cert II qualifications while they were in a structured environment.

School based, technical trade training has two real advantages. One is it gives kids an opportunity while they are still at school to get an idea of what those trade skills are like and whether or not it is something they like doing, even more so where schools have relationships with industry so kids can go out from school into structured workplace learning environments. The second thing is it allows young people of 15 and 16 to operate in the more structured environment of school, where there is a higher level of supervision and pastoral care. We had some very interesting evidence from Morley Senior High School, which is in my electorate and has been a registered training organisation for 10 years. Their trainees who do cert I and cert II through the school have a really high rate of success. They compared the environment that is offered at their school to the environment that is offered at institutes such as Polytechnic West, which is more suited to adult learners and perhaps people who do not have the same lack of development of the executive function that one might find with a normal 15- and 16-year-old. They said that introducing trade skills and doing the early certificates in the
more structured school environment had been very successful, so that when their apprentices go out at the age of 17 or 18 they are much better placed and equipped to operate within an adult workplace.

I think it is highly unfortunate that we cut the trade training centres. If we were truly concerned about the lack of people going into trades and the very high attrition levels, we would have looked very closely at that model of VET being delivered in schools in those early years and seen how that can indeed augment the quality of young people taking up apprenticeships. But, no, instead of doing that we cut the trade training centres. And not only have we done that—and this is apropos a discussion I had in this place earlier in the day—we have been taking all the brakes off 457 visas, which is undercutting a requirement to have a culture of training our own people. There are many easy solutions available that involve just bringing people in, rather than training our own. As I said, we are supporting this loans scheme, but anyone that thinks that this is a superior option that will see us reverse the very unfortunate decline in the take-up of trades is greatly deluded.

Mr NIKOLIC (Bass) (19:55): As someone who comes from a family of tradesmen and who continues to interact in a tradesmen-rich environment in Launceston, I rise to speak in support of the government's $1.9 billion trades support loans. There is strong support for this scheme across my electorate of Bass. Since the budget I have given a number of speeches across my electorate. In my roles as the patron of cycling in Tassie and the patron of Northern Tasmanian Netball, I have interacted with young people at schools and talked to them about how we are expanding opportunities across our country when it comes to earning—opportunities both in pre-degree courses and, importantly, in vocational education and training.

The response that I get is very similar to the one that I got when I arrived at the Army Recruit Training Centre as the Commandant. They used to fundraise each year and fund a scholarship for a young person studying at the local university. But it became very clear that we were only touching part of our constituency in the Riverina environment, that there were a whole bunch of people undertaking vocational education and training who never had that opportunity. So we came up with a separate scholarship which we would award each year for a three-year period for someone doing an apprenticeship. It was a very welcome initiative. The comments I got related to fairness and acknowledging that there was more than just one pathway in our society, through university, and that there were other important pathways.

The tradesmen that I have discussed this with in my electorate of Bass are similarly positive about the scheme and the fact that it will target occupations on the National Skills Needs List such as plumbers, diesel mechanics, electricians and fitters. I have a friend in Launceston who has been a plumbing contractor of 37 years. His name is Andrew Foley. He says:

'It's a long time coming, and anything we can do to help kids into a trade, as we do for young people into university, is a good thing.

He acknowledges that expansion of opportunity, not just for the 80,000 young people who will get an opportunity to do a pre-degree course under the HELP scheme with the additional opportunities that provides, but for apprentices as well. Another plumber friend, John Oldenhof, who is now in his 70s but is still putting in a full day's work and a whole lot of...
volunteering in my Lions Club, is another fan. John sees this also as an overdue measure that acknowledges the realities in our society. John says:  

It doesn't matter where they start, providing they start, and this scheme has a very powerful incentive. What Andrew and John and many other people in northern Tasmania like best about this scheme is that it has choice at its heart.

Apprentices can choose to access the full amount or part of it. And it does contain an important incentive: upon completion of training, the loan amount will be cut by 20 per cent, up to a value of $4,000. It is called reinforcing success and encouraging our young people to start something and to finish it. All too often, young apprentices do not complete their training because they cannot afford the costs associated with undertaking an apprenticeship, so this is about providing a hand-up early in the careers of our young people to ease their financial burden by front loading that financial assistance during the initial years when they need it most. That means support of up to $8,000 in the first year of the apprenticeship, $6,000 in the second, $4,000 in the third and $2,000 in the fourth. It is a clearly superior incentive to the $4,000 tool kit grant under those opposite which had become an unaccountable handout that did little to help apprentices complete their training.

So let's put the negativity away and acknowledge that young people are over $6,000 better off in their first year with this scheme compared to the previous one. Our hope is that they will complete their training, be rewarded with the $4,000 incentive deduction, go on and have productive careers, earn good wages and raise a family, pay their taxes and contribute to a healthy, prosperous society. The trade support loans will be repayable at the same income thresholds as university HELP loans when an apprentice starts earning a sustainable wage of above $50,000. Importantly, the loans are the best sorts of loans: they are interest free and constitute an early investment in the potential of the individual.

With that, I know a lot of other speakers are keen to have a say this evening, so I will cut my remarks short. I commend this bill to the House and I look forward to its commencement on 1 July.

**Mr MITCHELL** (McEwen—Second Deputy Speaker) (20:00): I rise to speak on the amendment to the Trade Support Loans Bill 2014 second reading motion. Firstly, I, like most Australians, am furious but, sadly, not surprised by yet another Abbott government broken promise. This is a government that is built on lies. Prior to the election, the Liberal Party was spruiking the introduction of the trade support loans, telling apprentices that the coalition would 'provide better support for Australian apprentices'. There was absolutely no mention whatsoever that the government was planning to scrap the Tools For Your Trade program.

The Tools For Your Trade program was vital to and heavily relied upon by Australian apprentices. The $5,500 provided was used to buy the necessary tools and equipment for apprentices to be able to complete their training. Depending on their field, the money would be used to purchase important safety gear, drills, uniforms, knives, scissors or hair dryers—all the items required to complete their apprenticeship. But now our apprentices have been slapped in the face, yet again, with an Abbott budget of broken promises. In fact, before the election, the coalition went on record to confirm that they were keeping the Tools For Your Trade program. For the benefit of the member for Paterson, who earlier in the chamber was unaware of this, in *The Sydney Morning Herald* on 26 August 2013 it was stated:
The coalition loans will be made available in addition to the commonwealth Tools For Your Trade incentive scheme …

As we know—it is the reason we are here today—this is just another in a long line of broken promises by the Abbott government.

In my electorate of McEwen, we have a large number of young people entering into trades and apprenticeships. Recently I received an email from a registered training organisation in the printing industry, explaining how the Tools For Your Trade cuts are already affecting the writer's apprentices. He said:

Some of our apprentices have purchased tools and now they will be left out of pocket. The printing trade already has a skills shortage and this just makes it harder, especially in our regional areas.

By cutting the Tools For Your Trade program so suddenly, with no grandfathering system in place, our apprentices are now out of pocket. It has become quite clear those opposite do not understand apprenticeships. They do not understand that apprentices get a lower wage than other workers during their time as an apprentice. This means they are behind the eight ball from day one.

The sting of this funding cut is made even more painful with the Abbott government cutting other essential and important apprentice programs. For example, the apprentice mentoring program provided experienced tradies as mentors in the relevant field the apprentice had enrolled in. This program meant the apprentice would be able to ask questions and seek advice on their training from someone who knew the ropes. This program meant a higher success rate in apprentice programs because apprentices had someone to talk to about their issues—a sounding board, if you like—but the Prime Minister has scrapped this program as well. This comes at a time when an apprentice probably needs more help than ever since the government is openly turning its back on apprentices and those undertaking vocational training. Mr Abbott's Treasury spokesman is on the record saying the coalition would 'abolish' trade training centres in schools, while Labor promised all secondary school kids will have access to trade training centres by 2018. Right across the electorate of McEwen, these trade training centres have been delivering opportunities for kids who may drop out of school early and not take those opportunities. Mr Abbott failed to release a skills and training policy in 2010, and the so-called 'Real Solutions' pamphlet made no reference to this area, but now he is trying to pull the wool over the eyes of apprentices.

In contrast, the Labor government was already providing apprentices with the tools they need for their trade, via the Tools For Your Trade payment scheme. We also introduced a HECS style loan for VET course fees in 2009. That helped some 55,000 students in 2012. Labor has helped 70,000 Australians into an apprenticeship through Apprentice Kickstart. We announced the $35 million Step into Skills program, which would deliver foundation skills to 8,900 disadvantaged young people to boost their chances of securing a job or further training, although this has since been cut by the Abbott government. Ours is the party that is committed to skills. It was the Labor government which invested more than $19 billion in skills and training over the last five years. Those last five years have delivered more opportunities than ever before for many young people, particularly those in rural and regional areas, where job chances are slim and opportunities are not that great.

In this latest budget, almost $2 billion has been cut from support and training for Australia's apprentices and workers, including the National Workforce Development Fund,
the Australian Apprenticeships Access Program, the Accelerated Australian Apprenticeships program, the Alternative Pathways Program, the Apprentice to Business Owner Program and the Step into Skills program. These are just a precious few of the programs cut by this government. If the Prime Minister really does believe he will ‘provide better support for Australia’s apprentices’, then he has a twisted way of showing it. These loans are not a hand up; they are just a hand in your pocket.

The Trade Support Loans scheme will be supported on this side of the House in light of no other assistance programs being made available to our apprentices. However, let it be known that the amendments we would like made to the bill are essential in ensuring our apprentices are supported and not disadvantaged in any way. These amendments ensure apprentices are aware of how and when the funding and training cuts will affect them. They ensure apprentices, especially school age apprentices, are fully aware of the financial implications involved in a trade support loan. They ensure that the privacy and legal arrangements involved in a trade support loan are maintained to the highest standard.

If Australia is to go forth and improve manufacturing, improve skills, improve trades and not rely on a flood of 457 visa workers, we need to support young people and give them every opportunity through different pathways to make a career for themselves and to give them a future. It is important that we do this due to the globalisation of our economy and the need we face particularly in areas like McEwen, where you have massive housing growth and business opportunities. We need to ensure that we have tradespeople available to service those needs, to build those homes, to build those roads and to do the things that we need to do. I know, having been an apprentice in the shoe industry, which is long gone from our shores, that it is an important thing to have an apprenticeship. It was an important job opportunity to fall back on should anything go wrong. I think that it is important that we make sure kids get every opportunity, to make sure that this country can grow and develop and be the best that we can be. In supporting this bill, we want to make sure that the government knows that we will be here and watching, and making sure that we support apprentices and young people in their future.

Mr SUKKAR (Deakin) (20:08): It gives me great pleasure to speak in support of the Trade Support Loans Bill 2014. A lot of speakers on the other side of the chamber have spoken begrudgingly about the benefits of the Trade Support Loans program. I must say that offering apprentices $20,000 over the life of a four-year apprenticeship, heavily front-ended for the first and second years of their apprenticeship, is, in my view, overwhelmingly positive. I have a lot of apprentices in my electorate. Indeed, since the budget I have visited a number of training facilities and spoken to those apprentices. The $5,500 that was provided under the Tools For Your Trade program just was not enough over a four-year period. In contrast, the $20,000 that will be provided under the Trade Support Loans program will offer for those people who need it more access to greater funding. And those that do not want to take it up do not have to. The beauty of the Trade Support Loans program will be that if you are in a trade that does not require the sort of additional support, or you do not need the additional income supplement, that the Trade Support Loans program offers, you do not need to take it up.

I think members opposite, in a sense, want the status quo. Fifty per cent of the people who commence an apprenticeship not finishing—they think that is acceptable. Increasing youth unemployment—they obviously think that is acceptable because they are offering no changes
to the system that has not provided the sort of solutions that we need. But business-as-usual just was not an option in our view.

The Trade Support Loans program offers incentives for apprentices to ensure that they are provided a discount when they do complete their apprenticeship: a 20 per cent discount on the face value of the loan taken out through the trade support loan—a maximum of $4,000. Offering that kind of incentive I think is going to ensure that we head in the right direction in completion rates for apprentices. But the main point—and I think this is one of the big reasons we find apprentices unable to continue and, indeed, finish their apprenticeship—is that often you are working ridiculously long hours and you are getting up at the crack of dawn but you have peers and friends who might be working at McDonald's or Red Rooster getting paid more than you. So it is very, very demotivating. It is very hard to continue working that hard for four years. I think that is one of the big reasons why our completion rates for apprentices have been getting worse.

The $20,000 Trade Support Loans program goes a long way to improving that situation. There is great flexibility for what the apprentices can put the $20,000 towards—$8,000 in year 1, $6,000 in year 2, $4,000 in year 3 and $2,000 in the final year. So it is heavily front-ended to the years where the wages in the apprenticeship are the lowest. We think that is going to assist apprentices to hang on in those first couple of years. We know that apprentices disproportionately drop out in those first and second years. So if we can help them get through that initial period and into years 3 and 4, we think that we can increase the completion rates for apprentices. That is what this program is all about.

The status quo is not working. Members opposite talk about the requirement to attract apprentices. Fifty per cent of people dropping out is not going to achieve that goal. It is hard enough to attract apprentices to start with. Once we get them in the door, we have to do everything we possibly can to ensure that they complete their apprenticeship. That is why I am very proud of the Trade Support Loans program. There is nothing that Trade Support Loans do not offer that Tools For Your Trade did. The net present value of $20,000 loan with the $4,000 discount is a hell of a lot more than the $5,500 from Tools For Your Trade. If it is simply a comparison between the two programs—which it should not be, but if it is—then this is a good news story and this is something that I think the parliament should be agreeing to, not in a begrudging way but actually happily telling our apprentices: 'We value you and we want to support you as much as we support those people entering tertiary study.'

The days of having apprentices as second-class citizens are over. People who have undertaken tertiary study have been able to access concessional loans only repayable once they earned over $50,000, or thereabouts. We are offering that same opportunity to apprentices now. So this is a fantastic good news story, and I am very pleased to support it. I understand that, given that it is such good news for apprentices, many of my coalition colleagues would like to speak on this bill, so I will end my comments there.

Mr WATTS (Gellibrand) (20:13): I am pleased to have the opportunity to speak on the Trade Support Loans Bill 2014. Since the federal budget there has been a lot of attention given to the plight of university students under this government—and deservedly so, given the Prime Minister's insistence on breaking yet another election promise in order to massively increase both university fees and the cost of student debt. But it is not only university students who are suffering under the Abbott government.
Australians undertaking apprenticeships and vocational education will also suffer from cost-shifting and buck-passing under this government. This bill establishes the Trade Support Loans program for Australian apprentices. The Trade Support Loans program was announced by the then opposition prior to the 2013 election. But what then then opposition leader, now Prime Minister, did not tell apprentices before the last election was that he also intended to scrap the $1 billion Tools For Your Trade program, established by the previous Labor government.

On this point, I note that the member for Paterson indicated, during his contribution to this debate, that the opposition had been upfront with the Australian people about their intent to axe the Tools For Your Trade program before the last election. But when challenged on this point by the member for Hunter, the member for Paterson declined to provide evidence for this claim. Given the recent penchant of those opposite to tell fibs about the fictions they told voters at the last election, to offer furphies about the fabrications they offered to voters, and to provide falsehoods today to justify the fraud they perpetuated at the last election, it would assist the House greatly if Minister Macfarlane could table evidence for the member for Paterson's claim during his summing up of this debate. I call on him to do so.

The Tools For Your Trade program provided up to $5,500 per apprentice in tax-exempt cash payments to support apprentices with the costs of their training, buying tools needed for their apprenticeship, and other costs associated with their apprenticeship. In its place, the optional loan scheme that was originally intended to be made available in addition to the Tools For Your Trade payment, as a supplement for these cash payments, now remains as the only specific financial support offered by the government to apprentices.

Anyone who has had an apprentice in the family knows that many apprenticeships carry very high costs for the tools and equipment needed on the job. The financial reality for these apprentices is that as a result of the policies of the Abbott government, instead of being able to utilise government support to meet these costs, these costs will now be covered by a loan that must be repaid to the Commonwealth.

For many apprentices who have already commenced their trades under the previous government, this could mean up to $3,700 lost in future payments for a first-year apprentice. Providing loan based support for apprentices is not opposed by those on this side of the chamber. It is a useful method for providing additional support for people taking the initiative to improve their skills. But it should not have come at the expense of the Tools For Your Trade scheme that provides an appropriate level of support for people making the decision to make a long-term commitment to improving their skills and education.

Unfortunately, the Tools For Your Trade program is just one area where the Abbott government is cutting support for apprentices and shifting the costs of these apprentices to state and family budgets. Also suffering the effects of Tony Abbott's apprenticeships axe are the Australian Apprenticeships Access Program, the Australian Apprenticeships Mentoring Program and the Apprentice to Business Owner program. These programs have all been axed by a government that is telling young Australians they ought to be learning or earning, while at the same time attacking the very programs that assist them to do so.

This bill provides for the introduction of trade support loans of up to $20,000 to be repaid on an income-contingent basis. Loans of this kind may well be a worthy supplement to other forms of government support for apprentices. But given that these loans will be available to
school based apprentices aged 16 to 18, measures need to be put in place to protect children from the consequences of what are major financial decisions. This need is further heightened by the fact that the government intends to outsource debt management for trade support loans to the private sector, potentially leaving $20,000 debts incurred by 16-year-olds in the hands of private debt collectors. It is a worrying prospect, and these bills should include provisions to ensure that apprentices—particularly school based apprentices—receive appropriate advice to ensure that they make informed decisions about loans incurred under this program.

Issues like this have driven Labor to seek an inquiry into the bill through the Senate Economics Committee. This inquiry will examine the payment, by monthly instalments, of the loan amount; loan terms and conditions into the future; future outsourcing of debt management by the government; the protection of 16- to 18-year-old apprentices; and general loan advice to all apprentices.

However, as Tools For Your Trade participants have already been notified of the program closure, Labor is minded to support this bill. Of course, all the financial support in the world for apprentices will be for naught if the learning institutions that support apprentices are not themselves funded. In this respect, the record of the Liberal Party, particularly at the state level, is extremely poor.

As I have previously informed the House, the impact of the state Victorian Liberal government's swinging cuts to TAFE and VET funding in Melbourne's west have been particularly severe. In Melbourne's west, less than 50 per cent of the population have completed high school, and less than 10 per cent have completed a bachelor degree. We also have a very large migrant and culturally and linguistically diverse community, with over half of the resident population in Melbourne's west speaking a language other than English at home. I am talking of families like my own.

In this context, TAFEs are particularly important to Melbourne's west as providers of tailored employment training—often addressing skills gaps or deficits in basic education. The Victorian Liberal government's cut of $170 million in funding allocated to TAFEs to meet their community obligations, promote social inclusion and provide support to students from disadvantaged backgrounds, has particularly hurt Melbourne's west. One result of these cuts has been the retrenchment of more than 13 full-time youth and education support workers at Victoria University. These student support roles are particularly important for institutions like Victoria University, which support large numbers of students who are either the first members of their immediate families to engage in tertiary education or who come from disadvantaged backgrounds. These students often require a little more holistic support early on in their studies to ensure that they are able to make the challenging transition to tertiary study. These students often do not have the experienced support networks enjoyed by more privileged students and, as such, are at risk of dropping out of tertiary education early in their degrees.

More broadly, Victoria University, the primary provider of higher education in Melbourne's west, has been substantially impacted by the cuts in VET program subsidies by the Victorian Liberal government. Cuts to VU's program-subsidy funding constitute over 25 per cent of the total revenue of VU's TAFE. As a result, VU has been forced to undertake major retrenchments of its TAFE teachers and support staff. As VU is a major employer in Melbourne's west, this has also had obvious flow-on effects for the broader economy of the region. Cuts in VET fees in Melbourne's west have also had an impact on the fees faced by
prospective students. When coupled with the Liberal government's decision to remove caps on VET student fees, the cuts in VET funding have had the inevitable consequence of pushing student fees higher.

TAFE providers are forced to increase fees to compensate for lost government funding in order to remain viable, with consequences for the accessibility of education for students from disadvantaged backgrounds.

A further consequence of the Victorian Liberal government's cuts to VET funding is the knock-on effect that these cuts have on the accessibility of university study in Melbourne's west. As students from Melbourne's west are statistically more likely to come from lower socio-economic status backgrounds, they rely heavily on alternative pathways to university study—including VET programs, in particular.

Of particular concern is the state Liberal government's decision to dramatically reduce funding for VET Certificate I and II courses. These courses are generally not vocational in nature, but instead are used by disadvantaged students as bridging courses to further study. Limiting access to VET programs in Melbourne's west therefore has a pipeline effect of limiting access to university study for students in the region. The cumulative effect of these changes is to further entrench educational disadvantage in Melbourne's west.

The Abbott government tells us that the age of entitlement is over and that our young people must earn, learn or starve.

Mr Whiteley: Hear, hear!

Mr WATTS: I take that interjection from the government!

Mr WHITELEY (Braddon) (20:23): It is a pleasure tonight to speak in support of the Trade Support Loans Bill 2014. This is one of the many exciting initiatives in this year's budget with an eye to the future, with an eye to ensuring that our economy is sustainable and that every person in this nation has an opportunity to get ahead. The announcement by the Treasurer, on budget night, to introduce a new student loan scheme to assist young people with the costs associated in undertaking and completing an apprenticeship represents one of the most important shifts in a generation in the way the government and the community treats young people considering apprenticeships.

These reforms will have a significant positive impact on many young people in Braddon and Tasmania. For too long, some within previous governments and the wider community have viewed those who have chosen to undertake an apprenticeship as being of less value to the economy—that those who choose to go to university hold some sort of superior status. An apprenticeship is too readily viewed as the easier, inferior option for a young person and that
they only do it if they are not smart enough to go to university. This bill goes an awful long way to dispelling that myth.

Unfortunately for many young people in the past, undertaking an apprenticeship was made all the more difficult by this attitude. This attitude resulted in young apprentices not having access to deferred low-interest loans and financial arrangements similar to university students. The Trade Support Loans Bill puts an end to this act of social discrimination. This bill will reverse this damaging attitude and place apprentices on level pegging with university students—as does another great reform of this year's budget, to place more courses under the FEE-HELP scheme, in line with most university undergraduate degrees. As part of this reform, apprentices may be eligible for concessional income-contingent loans, in a similar fashion to FEE-HELP loans or the old HECS loan scheme.

Under this new arrangement, apprentices in a priority occupation can receive up to $20,000 over four years, to be repaid at the same income thresholds as university students, which are currently set at about $53,000 per annum. Under the trade support loans payments will be made in arrears, with $8,000 available in the first year, $6,000 in the second, $4,000 in the third and $2,000 in the final year. In addition to providing many apprentices access to these loans, the government will also provide a 20 per cent discount on the loans—meaning apprentices will only pay $16,000 as a maximum, of the loan, when and if they complete the training.

I find it hard to accept the basis on which many of the speakers opposite have contributed tonight—that is, that there is something obviously wrong with a loan-scheme system when, in fact, the university-loan system has been working like this for years. I see this as a hypocritical approach to this particular bill and it has a slight reek of elitism.

In addition to providing many apprentices access to these loans, it is really important to understand that there is currently a 30 per cent dropout rate in the first two years of an apprenticeship and about half of all apprentices who begin an apprenticeship fail to complete it. This is another reason that makes this Trade Support Loans Bill so important. It provides increased support to apprentices in the earlier stages of their apprenticeship, when their wages are lowest and when they need it most.

Furthermore, this money can be used to assist apprentices purchase tools, attend training in other towns and help with living expenses, under those circumstances, while earning lower wages, particularly in the first and second years.

In my state of Tasmania and particularly in the electorate of Braddon, these loans will have a significant impact on the ability of the region to recover from the dearth of skills needed to meet labour-market needs. One of the common issues facing many small and medium businesses in Braddon is simply that there are not the young apprentices undertaking training in skills-shortage areas. There is a mismatch between what businesses need and what the apprentices are taking up. Often this is not their fault. In fact, this is one of the many reasons the Gillard trade training centres were such a dismal failure. They set some young people up with skills and trades that were not in demand in the area where they lived. It was a lose-lose situation for both the student and the industry.

This issue was highlighted recently in a joint report by the Devonport Chamber of Commerce and Regional Development Australia—Tasmania. A key theme in the report is the
need for more collaboration between the job seeker, industry and educational providers to ensure young people are undertaking skills development that is needed in the region.

Trade support loans will achieve this by encouraging people to undertake training in skills-shortage areas, without the need to then move interstate because the trade training centre did not offer the training that local industry required. Under this program, an apprentice will be eligible for loan support if they are undertaking any trade on the skills shortage list. This may sound overprescriptive, but the list has over 60 trades, including fitters, turners, electricians, hairdressers, sheet metal workers, gasfitters, welders and mechanics—and the list goes on.

In addition to traditional trades, I am pleased to note that those undertaking a certificate II, III or IV in agriculture and horticulture will be eligible for these loans. This is hugely important for Braddon as the local dairying industry embarks on a massive expansion in coming years. There is also an expansion coming when it comes to horticulture, particularly in the area of berries. I hope that this scheme will encourage more young people to consider a life in the agricultural industry and that more of the jobs can be filled by qualified Tasmanians rather than mainlanders and workers from overseas.

In the six weeks since the budget, I have been overwhelmed by the support for this Trade Support Loans scheme from apprentices and parents, particularly parents of young people who are coming to that stage of life where they are considering what to do following school. Not only are current apprentices, future apprentices and their parents welcoming of this scheme for the financial support it provides to buy tools and to cover the cost of travelling to training courses, clothes and living expenses, but, just as importantly, it gives young people the confidence that they are making the right decision by going into an apprenticeship. They are contributing to the economy and they will be acknowledged by the government and the community for the contribution they make to the community. I thank the House.

Debate adjourned.

Health Insurance Amendment (Extended Medicare Safety Net) Bill 2014

Report from Federation Chamber

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

Ordered that this bill be considered immediately.

Bill agreed to.

Third Reading

Mr HARTSNYKER (Cowper—Deputy Leader of the House and Assistant Minister for Employment) (20:32): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.


Report from Federation Chamber

Bill returned from Federation Chamber without amendment; certified copy of bill presented.
Ordered that this bill be considered immediately.
Bill agreed to.

**Third Reading**

Mr HARTSUYKER (Cowper—Deputy Leader of the House and Assistant Minister for Employment) (20:32): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

**Trade Support Loans Bill 2014**

**Trade Support Loans (Consequential Amendments) Bill 2014**

**Second Reading**

Cognate debate.
Debate resumed on the motion:
That this bill be now read a second time.
to which the following amendment was moved:
That all words after "That" be omitted with a view to substituting the following words:
"whilst not declining to give the Bill a second reading the House notes that the Government has failed to:
(1) advise apprentices that they would be abolishing the Tools for Your Trade program, thus leaving Trade Support Loans as the only form of assistance for the purchase of tools;
(2) adequately explain in clear language the interest rates and full liability of these loans;
(3) offer adequate protection for school based apprentices aged between 16-18;
(4) offer fair and reasonable transition arrangements for current apprentices;
(5) put in place adequate privacy protections for the large volumes of information that will be acquired through the Trade Support Loans Program; and
(6) offer apprentices the option of lump sum payments in order to purchase expensive items."

Mr GILES (Scullin) (20:33): I am pleased to have this opportunity to make a contribution to the debate on the Trade Support Loans Bill 2014 and the Trade Support Loans (Consequential Amendments) Bill 2014. In doing so—and I assure you, Deputy Chair and members, that it will be a brief contribution—I think I need to touch on one aspect of the previous speaker's contribution where he characterised the previous government's approach to trade training and skill development as lose-lose.

As this debate has already shown, nothing could be further from the truth. He made particular reference to the trade training centres and characterised them in a manner which indicated that they were not meeting the needs of industry or of young people. I know from the experience that I had with the Outer Northern Trade Training Centre in Lalor that nothing could be further from the truth in terms of matching the aspirations of talented young people to viable career paths and getting some terrific engagement with significant local employers.

These bills before us establish an income-contingent loan program for apprentices undertaking qualifications leading to occupations in respect of which there is a skills shortage.
I note that they are intended to provide incentives to address barriers preventing people from otherwise undertaking apprenticeships and that loans will be available in amounts of up to $20,000 to cover tuition and living expenses.

If the question before us is, 'How do we meet skills shortages while giving all young—and perhaps not so young—people every chance to pursue their chosen trade?' then that is a serious matter worthy of a considered response in this place and in the community. But, notwithstanding elements of this package like the completion discount, I am not sure how this loans approach answers that question. We should be asking, for example, about the evidence around this challenge. In this regard, there is no clear evidence to the effect that financial considerations are presently a barrier to taking on or completing apprenticeships. If the government has any evidence, it has not adduced it.

The loans will, unfortunately—and this goes to the heart of this issue—replace the Tools For Your Trade program. This is a program providing up to $5,500 tax free and making a real difference as a real incentive to keep people earning and learning effectively—a matter dear to this government at a rhetorical level, but very little in evidence in its decision making to date. Supporting and opening up trades training is vitally important to families in Scullin, and it is important to me, but these bills before the House carry with them some significant concerns.

At their core, these bills represent yet another example of this government saying one thing prior to the election and doing quite another after it. I refer, in this regard, to the scrapping of Labor's billion-dollar Tools For Your Trade program. Let us think about what that means for apprentices and their families who thought, quite reasonably, in the course of the election campaign, that they may have been able to access an optional loan on top of the Labor program—on top of the $5,500. It is a very big difference for these apprentices and their families to now see this loan program as the sole means of financial support provided. Indeed, let's think about our apprentices and give them a voice in this debate—those who in Victoria have also been hit by closing TAFEs and significant increases to fees.

I was struck by a discussion I had a few days ago with an electrical apprentice, Greg, someone who started his trades journey at a mature age, having undertaken university studies at an earlier juncture. He started his trades journey at a point in his life when he had young children. He left me in no doubt how important the Tools For Your Trade program was in giving him every opportunity to meet his aspirations—to do the job, to acquire the skills he wanted to. He took me through the cost of the tools he needed; and, as someone who is a long way from being a trades training kind of guy, it was quite an eye-opener to understand the real cost to him of being in a position to undertake his training and to do his job first as an electrical apprentice and then as an electrician.

His passion for his trade and for the pathway it should offer others struck me. In response I assured him that Labor stands for removing barriers to skills, for equity and for maximising our productive capacity, the challenge that I set out earlier in this contribution. When he says, 'Those speaking of rims and tatts haven't worked on $7.50 an hour and tried to raise a family,' I listened. I hope members opposite do too. He also reminded me and pressed upon me the inconsistency in this government's message to young people. On the one hand they lecture them and, indeed, us on the dangers of debt while on the other burdening young people with
just that as they start their working lives—in trades training, of course, and also in universities.

He also spoke to me—and I think this is important in the context of this debate as we consider the circumstance of people as they start their journey in workplaces and the power relationships that govern their working lives—of the difference his union had made to his working life as an apprentice electrician. I say this because it is important to recognise the great work that unions do, keeping people safe at work in dangerous trades and ensuring a fair day's pay is received for hard work done and that workers can have their say in their workplaces. They should also be heard in this place. So I speak for Greg in this debate, and I hope to do justice to his cause and his concerns.

In the seemingly long remaindered Real solutions policy document, the now Prime Minister committed the coalition to 'provide better support for Australia's apprentices'. I guess now we know that this can be filed with the rest of the coalition's election promises along with 'no cuts to health and education, no cuts to the ABC or SBS, and no changes to pensions'—no new taxes as well, of course.

Support for apprentices has been seriously, severely cut under this government. On top of the actions of conservative state governments in attacking TAFE—I think of the pressures on NMIT in my own electorate and the proposed sell-off of the Greensborough site—the Abbott government has also axed a number of important programs, including the Australian Apprenticeships Access Program, the Australian Apprenticeships Mentoring Program and the Apprentice to Business Owner Program.

I am aware it has been suggested in the course of this debate by members opposite that the Tools For Your Trade scheme would be replaced under the coalition. That comes as some news to me. Let me just say this: can the minister assist me, apprentices in the Scullin electorate and their parents by adducing evidence for his colleague's claim? I suspect he cannot, but I look forward to his contribution at the conclusion of this debate.

On the other hand, I am all too aware of the sneering remarks directed at this program after the election, wilfully mischaracterising apprentices as well as this important program, which has been effectively providing tools for your trade. Of course, there is a wider context here that we must be mindful of. This is a government that will not invest in our future. We see this in the attacks on higher education, which sit all too neatly with attacks on apprentices. Indeed, through the education system, from child care to high-level university research, we see this government undermining access and achievement. Back to the future appears to be the watchword.

Of course, when we think about this government and young people, for those under 30 we think about the harsh regime and the six months of no income support that is put forward for many in circumstances where youth unemployment is high and forecast to continue to be high. It has been a while since we have heard a member of this government refer to the age of opportunity. Funny that! I guess it shows there are limits to the Orwellian language members opposite like to hide behind. There is no longer any pretence around opening up life opportunities, and this is shameful.

I turn briefly to a few other matters. I place on the record that I share the concerns of the ACTU about the relative vulnerability of some apprentices vis-a-vis their employers and, in
In this regard, the possibility of people being pressured into taking out loans to pay for items that properly should be paid for by others. And, of course, the adequacy of the proposed privacy provisions and protections is a matter that requires proper attention and assurance. These are things that have not been done to date. What does the government have to say to assuage these concerns? Again, very little, I suspect.

Having made these remarks and expressed my concerns about some elements of these bills but, more fundamentally, the attitude of this government towards trades training and opportunities for young people, I indicate formally to the House that I support the amendments moved by the member for Cunningham and I support this government being kept to its word, which was to offer more support to Australia's apprentices. To date they have done the reverse. For all the rhetoric of 'earn or learn', this has not been matched by any commitment of this government to young people. It is not enough and it is a breach of faith.

Ms SCOTT (Lindsay) (20:43): I rise tonight to speak in support of the Trade Support Loans (Consequential Amendments) Bill 2014. These loans are designed to invest in the skills of our workforce, enabling more young people to start and ultimately complete their trade training. The Australian government has an economic action strategy designed to build a stronger economy, create new jobs and bring Labor's debt and deficit disaster under control. Australia's productivity and competitiveness depend on a highly trained workforce. Trade support loans will help more apprentices complete their training and get the skills they need to fill the jobs that businesses want.

Today within the electorate of Lindsay some nearly 3,000 people are currently training as apprentices. Having more apprentices in the Australian workforce means we can boost productivity and meet the changing needs of the diverse Australian economy. Therefore, it is important the federal government supports Australian apprentices. Unlike the previous Labor government, this responsible coalition government understands we can better support industry by providing a hand-up and not just a hand-out.

Despite promising employment prospects and earning potential, many young people find the first few years of an apprenticeship financially difficult. We know around 20 per cent of trade apprentices drop out by the end of their first year and, in fact, 30 per cent by the end of their second year. This is such an opportunity lost. Apprenticeships provide an opportunity to secure a career. It does not mean they will be in that career all their lives, but by dropping out they miss the opportunity of that first step towards employment and the long-term ability to earn a wage. I am particularly passionate about this concept of career development as in my own professional journey I pursued other training opportunities before gatewaying into university and eventually building my career. And let me assure the House, as I know from firsthand experience, training opportunities which come with a certificate III or IV are instrumental in shaping the long-term career of so many young Australians. It is that first step towards employment and the long-term ability to earn a wage. In my opinion, this strengthens the Australian workforce.

Trade support loans are concessional, income-contingent loans which function in a similar manner to FEE-HELP loans received by university students. The program provides for a loan of up to $20,000 over four years paid directly to apprentices undertaking an apprenticeship in a priority occupation or qualification. It is anticipated the loans will alleviate some of the financial pressures faced by young apprentices and will improve the completion rates I
mentioned previously. Further, to encourage apprentices to complete their training, the loan amount received by an apprentice will be reduced by 20 per cent when they successfully complete their training. This is a wonderful inducement to ensure that people not only start their trades but finish them. Similar to FEE-HELP, loan repayments commence when the apprentice is receiving a sustainable income of around $50,000.

What is so appealing about this program is that it encourages young Australians not only to consider the impact of the decisions they make but to also show fiscal responsibility. Under the Tools For Your Trade scheme, money was directly deposited into an apprentices' accounts but there was no incentive to encourage them to spend this money on their trade or to further their career prospects. In comparison, the Trade Support Loans will encourage apprentices to spend the money responsibly because it does require a repayment. Further, through apprenticeship centres, financial advice will be encouraged and ongoing by the apprentice being required to opt in every six months.

I can understand why those opposite would not support these measures, because if the last six years have taught us anything it is that they know very little about fiscal responsibility. The claims from all the members opposite about this government encouraging young Australians to be in debt is ridiculous. As mentioned previously, I did take out a HECS debt—I took out a FEE-HELP debt to complete my master's—a debt I am still repaying to this day. I believe that it is my responsibility to pay my own way. I do not believe it is the responsibility of the taxpayer to be solely responsible for my career development. I believe young apprentices will consider their trade support loans in a similar light. Our trade support loans are a responsible investment in the nation's future and the future of our tradespeople everywhere. I commend the bill to the House.

Mr ZAPPIA (Makin) (20:49): In speaking on this legislation I support the amendments moved by the member for Cunningham. There are two specific aspects with respect to this legislation that I want to go to first, and that is to make the two points that are essentially covered by the legislation. The first is that the government is going to provide a HECS-type loan to apprentices to help them pay their apprenticeships costs—a loan of up to $20,000. The second matter is that the $5,500 Tools For Your Trade funding, which was previously available to apprentices and made available by the previous Labor government, will be cut. Just as importantly, that cut will take effect from 1 July 2014. For many apprentices, that will be part way through their training. These are apprentices who made their decision in the full knowledge that they would be reimbursed $5,500 in the course of their apprenticeship and perhaps made the decision based on that understanding. Yet part way through their apprenticeship the $5,500 that was previously available to them as a direct grant is going to be cut.

The parliamentary secretary said earlier today that the Abbott government had made it clear prior to the election that the Tools For Your Trade program would be replaced. I do not ever recall hearing that statement in the election campaign, and I think I monitored the statements made by the opposition at the time pretty carefully, because I was contesting that election. If the government did make it clear prior to the election then I say to the parliamentary secretary or to his minister: produce some evidence that it was made clear to the people of this country and in particular to apprentices that the $5,500 would be cut if they were elected.
The government wants to create a perception that by replacing the Tools For Your Trade program with a Trade Support Loans program that apprentices will be better off. That is absolute nonsense. A close analysis of the change will expose it for what it really is: it is another piece of government deception and, even worse, another example of how this government is attacking students, young people and now apprentices by squeezing them even further.

There was a long list of government members who jumped to speak on this legislation—albeit, I accept, they probably had their time cut short by the leader of government business. It is one of the few pieces of legislation that I noticed government members jumping up to speak on, because clearly there is not much else within the Abbott government budget that they feel comfortable enough to get up and speak about. But even when they speak about this legislation they are totally wrong. Either they misunderstand what is ultimately going to happen as a result of this legislation, or they are trying to pull the wool over the eyes of the Australian people.

Labor will support the provision of a $20,000 loan. We do not have a problem with that. If it had been kept with the $5,500, as it should have been, it would have been an additional level of support provided to apprentices. But that is not the case. Contrary to what the government has tried to purport from day one—that the loans are interest-free—the reality is that the loans will have an interest rate attached to them or, as the government has changed the language, the loans will be 'indexed'. If you look at Budget Paper No. 2, page 172—and I want to quote directly from it, given that so many members opposite, even in the course of this debate, have said that this will be an interest-free loan—you will see:

Trade Support Loans will be provided at concessional interest rates—and I will repeat that: 'concessional interest rates'—and capped at $8,000 in the first year of the apprenticeship, $6,000 in the second, $4,000 in the third and $2,000 in the fourth.

That is a direct quote from their own budget papers. More importantly, whether you use the words 'interest rate' or 'indexation', it effectively means the same. It means that there will be an interest rate applied to the loans. Looking at its budget papers, you will see what the government is really doing: cutting $475 million of direct assistance to apprentices from their budget. Cutting $475 million of direct assistance to apprentices is the net effect of this decision.

Providing a loan is helpful, but when it has to be repaid and the $5,500 Tools For Your Trade program has been cut, then you end up worse off if you are an apprentice. On that figure alone, if an apprentice were to complete their apprenticeship, and if they were entitled to the full amount of the $20,000 loan that they might have taken out and the full 20 per cent discount, that would give them a net direct benefit of $4,000. As it currently stands, they would still be $1,500 worse off as a result of that. That is before you even go to the fact that the apprenticeship courses themselves are increasing in cost, and before you factor in the interest or indexation that will accumulate on the loan that someone has taken out. I ask the question: just as you cannot trust this government on so many matters, how can you trust the government that the indexation will remain at CPI forever and a day? I do not believe you can.
There are many types of skills and occupations where, even after you have completed your apprenticeship, it is unlikely that you would have reached the income of $50,000-plus that you will require before you have to start paying the money back. So that loan will sit there for years and years. And as it sits there, it will accumulate additional interest. By the time an apprentice, having completed their apprenticeship, is earning money and in a position to pay it back, one wonders how much they will ultimately be paying back. So the $4,000 that is referred to is an absolute nonsense.

I will also make this point about the $4,000, because members stand there and say, 'Look, we're giving apprentices $4,000 if they complete their apprenticeship and they've taken out a loan.' There are not too many apprenticeships that will cost $20,000. It is unlikely that many of the young apprentices will take out a full $20,000 loan. If they do not take out a full $20,000 loan and they complete their apprenticeship, they are only entitled to 20 per cent of what they borrowed. If they do not borrow $20,000, they do not get back $4,000. The likelihood is that most of them never will. So the perception that they are being granted $4,000 if they complete their apprenticeship is also absolute nonsense.

Many of the apprentices that I speak to work for family-owned businesses, where one of their parents is themselves a skilled person, has set up a small business and gone on to employ a family member—quite often a son or daughter—in their business as an apprentice. I cannot imagine too many of those small business people asking their child to take out a loan so that they can in turn become an apprentice in the family business. I would expect that those parents would probably say, 'If we need to take out a loan, we will just go to our own bank and grab an overdraft or whatever the case is, but we don't want to saddle our kids who want to be apprentices with a loan as well once they complete their apprenticeship.' If a young person, whether it is for those or other reasons, decides that they will take out no loan whatsoever, then there is nothing in this proposal for them at all. In other words, if you do not take out a loan, you do not get 20 per cent back if you complete your apprenticeship, you do not get the Tools For Your Trade allowance that you previously got—you get nothing. The only person who might get something out of this is someone who takes out a loan, completes their apprenticeship and then looks for the rebate based on the figure of 20 per cent.

If this government were serious about supporting apprentices in this country, there are lots of other things that it could do that would support apprentices. In particular, it could support initiatives that ensure that those apprentices, having completed their apprenticeships, actually have a job to go to. Regrettably, we are seeing this government, in the very areas where most of the apprentices are likely to be, such as in manufacturing, already walking away from that—

Debate interrupted.

**ADJOURNMENT**

The DEPUTY SPEAKER (Hon. BC Scott) (21:00): Order! I propose the question:

That the House do now adjourn.

**Centenary of the Red Cross in Australia**

Mr NEUMANN (Blair) (21:00): This year, 2014, marks the centenary of the Australian Red Cross. The Australian Red Cross was established at a momentous time in the history of the Commonwealth of Australia on 13 August 1914, just nine days after the start of World
War I. It was Lady Helen Munro Ferguson, wife of Australia's sixth Governor-General, whose drive and determination was responsible for the formation of the ARC. By all accounts, Lady Ferguson was a dynamic and inspirational leader. In fact, she wrote to the mayor of every shire and municipality in Australia encouraging formation of a local branch of the fledgling ARC. Her letters were published in local papers across the country calling for public meetings, and it worked. Within four months, hundreds of branches were formed across the country, including a branch in Ipswich in my electorate. Hundreds of thousands of volunteers, mostly women, volunteered for the ARC during World War I. Between August 1914 and the signing of the armistice, the Australian Red Cross dispatched nearly 396,000 food parcels and around 40,000 clothing parcels—a tremendous effort.

By World War II, the ARC had become the largest charitable organisation in Australia and it was estimated that nearly half a million of Australia's seven million population volunteered for the ARC during the war. Following World War II, the ARC focused on social welfare, national emergencies, natural disasters, the blood bank and first aid programs—all sustained by an extensive branch network and thousands of volunteers. When Australians face natural disaster or tragedy, they know that the Red Cross will be at their side. We remember their efforts following the Bali bombings. Every Australian community has its own story of when the Red Cross came to help. For some communities it is a drought or a terrible bushfire. For my community, it was the floods of early 2011.

The ARC began their assistance on 27 December 2010 when the first evacuation centre was opened. I witnessed firsthand the wonderful work, care and professionalism of the Red Cross workers in flood evacuation and recovery centres across my electorate in South-East Queensland. Red Cross assisted some 14,600 people in these centres as flooding peaked across Queensland. In the year that followed, the Red Cross had more than 1,400 staff and trained volunteers working in flood-affected communities. In fact, so trusted was the ARC that they led the committee established by the Queensland Premier, known as the Queensland Premier's relief committee, which was chaired by Australian Red Cross Blood Service Chair, Dr David Hamill, the former Queensland Treasurer and member for Ipswich.

The ARC has played a vital role in the recovery of my community. It continues to play an active daily role in the electorate of Blair, with branches in Ipswich, Toogoolawah, and Red Cross charity shops in Ipswich, Toogoolawah and Kilcoy which support the everyday work of the Red Cross, including the Trauma Teddies, which are being handed out by volunteers and donated to any child or adult suffering, trauma, illness or chronic disease. They do tremendous work through the Homelessness Early Intervention Service based in Ipswich, the Red Cross Bridges program in Esk in the Somerset region, and helping people all over the place.

Unfortunately, a cloud has been cast over the celebrations of the Red Cross's centenary year. The Red Cross was tremendously disappointed to learn that the government would not provide the $5 million general purpose grant this year. This grant has been provided by governments, both Coalition and Labor, since 2006. The loss of this funding will have a significant impact on the Red Cross, which has indicated that it will need to make budget savings that will have an impact on services, programs, staff, volunteers and support functions. The Red Cross is also dealing with the impact of other federal budget cuts by the Abbott government which will cause some of its programs to cease on 30 June this year with
uncertainty of funding for ongoing programs. I encourage the government to restore this grant to the Red Cross.

Through 100 years, the Australian Red Cross, through word and action, has remained steadfastly dedicated to its motto, and I urge the government to change their current budget decision. The Red Cross motto is:

To be a leading humanitarian organisation in Australia, improving the lives of vulnerable people through services delivered and promotion of humanitarian laws and values.

The Red Cross has helped shape 100 years of Australia's social history. I congratulate the Red Cross on their centenary and I encourage local residents in Ipswich and the Somerset region to become a part of this year's celebration of Red Cross in Australia. I urge the government to reconsider their unnecessary, unwise and unjust budget cut of $5 million to the Red Cross.

Western Australia Senate Election

Mr IRONS (Swan) (21:05): It being the last week of the current Senate as they sit this week, I will take the opportunity to report on the outcome of the WA Senate election on April 5. There has been a fair bit of budget and other stuff going on in this place, so I have not had a chance to report on it. In this place, we had a great build-up to the Senate election. There were many speeches, MPIs and adjournments from both sides of the chamber, which were spoken with passion from both sides, as we approached the WA Senate election. But the people saw through the spin and the result was emphatic: three liberal senators, one PUP, one Green and just one ALP senator were returned. I would like to congratulate Linda Reynolds, who has now won her spot twice, and Senator Johnston and Senator Cash for their re-election and the other senators who were elected.

Senator Johnston helped me hand out how-to-vote cards at the Carlisle Primary School in the electorate of Swan on the day and he certainly has a connection with the Belmont community. I would also like to thank the volunteers in my electorate of Swan who came out in force to support the Liberal Party in WA for the third time in just over 12 months—one state and two federal elections. Their dedication is an undeniable factor in the electoral success of our party in WA. It was clear on April 5, as it was in March and September last year, that when it came to the number and the enthusiasm of volunteers, Labor and the Greens just could not keep up.

It was effectively a by-election and it was of course expected that a swing away from the government would be recorded. But I was pleased to see when the results came in that the swing away from the Liberal Party in my electorate of Swan was the third lowest in the state behind the safe seats of Curtin and Tangney at just 4.2 per cent. You can expect a swing away from the government, but what you do not expect to see at a by-election is such a large swing away from the opposition. So the real loser at the Senate election was undoubtedly the Labor party, who received just 21 per cent of the vote—their lowest on record. As Labor man Martin Ferguson has said, WA Labor is considered a 'national disgrace' and this election was truly the shambles to end all shambles for them. Their candidates were barely on speaking terms. Mr Bullock was quoted as saying that Labor members were mad and the party could not be trusted after he had been preselected and elected for the Labor Party in the September election. Despite this, Bill Shorten continued to stand by the No. 1 candidate.
The Labor voting material was intended to mislead. On election day at polling booths there were photos of state members of parliament on the booths and on their how-to-vote cards. There was no appearance of any of the Senate candidates. State opposition leader Mark McGowan was leading the robo-calling campaign and was the public face of the campaign, but after the disastrous result he was nowhere to be found. Whenever things get tough Mr McGowan disappears. He was often on holiday in Bali when Julia Gillard came to town in the previous parliament. I also want to mention that an MP from South Australia said they had been calling people in Western Australia and were surprised at the amount of times that they got hung up on when they said they were a Labor MP from South Australia. I guess that was indicative of the attitude at the last Senate election on 5 April.

What the Labor Party did not want to talk about were the federal issues. Where they did they were not telling the truth. Mr Bullock declared in the *West Australian* that Labor was repealing the mining tax the very week Labor was voting to keep the mining tax in Canberra. Then in the aftermath WA Labor imploded. Almost immediately after the election the embarrassing condition of the WA Labor Party was the source of rolling news. On 11 April United Voice Secretary Carolyn Smith denounced Joe Bullock's conservative views as betraying ordinary members of the Labor Party. Just this weekend the *West Australian* once again shone the spotlight on the internal disarray of the Labor Party. An article entitled 'Labor pains' by journalist Gareth Parker detailed the findings of an internal WA Labor report that recommended a significant weakening of the union stranglehold on power within Labor. The report stated that only 20 per cent of Labor's 80 WA branches are active, suggesting that ordinary Labor members believe factions have taken over most of the local branches.

I would like to pay tribute to Senator Eggleston, who has served the parliament for 18 years. He was my patron senator in 2007 when I was elected. As a patron senator he has never lost an election. His representation of WA and his staunch service to the Liberal Party for 18 years should be congratulated. I congratulate Senator Eggleston on his service to WA and this parliament.

**Petition: Pensions and Benefits**

Mr KELVIN THOMSON (Wills) (21:10): Tonight I present to the House a petition signed by 1,051 petitioners and approved by the Petitions Committee for presentation to the House.

*The petition read as follows—*

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

This petition of certain citizens of Australia draws the attention of the House to the failure of measures adopted in The Social Security and other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009 to guarantee an adequate quality of life for those receiving the age pension. We therefore ask the house to:

1. Increase the pension rate from 27.5% to 35% of total male average weekly earnings
2. Ensure that proper and improved, culturally appropriate, healthcare measures for pensioners are prioritised, including medical, dental, optical, hearing and pharmaceutical services.
3. Significantly increase the level of funding for aged care services, including culturally appropriate services.
4. Introduce quarterly indexation of all pensions and welfare payments.
from 1,051 citizens

Petition received.

Mr KELVIN THOMSON: This petition draws the attention of the House to the failure of measures adopted in the Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009 to guarantee an adequate quality of life for those receiving the age pension. The petitioners specifically ask the House to: one, increase the pension rate from 27.5 per cent to 35 per cent of total male average weekly earnings; two, ensure that proper and improved culturally appropriate healthcare measures for pensioners are prioritised, including medical, dental, optical, hearing and pharmaceutical services; three, significantly increase the level of funding for aged-care services, including culturally appropriate services; and, four, introduce quarterly indexation of all pensions and welfare payments.

This petition has been organised by Australian Pensioners Voice. The founders of Australian Pensioners Voice—Gino Iannazzo and Vic Guarino—have been indefatigable campaigners for the best interests of pensioners. They have been understandably horrified by the government's proposed changes to pension indexation, its plans to introduce a co-payment to visit the doctor and its plans to raise the pension age. Of course there would be people listening to the plea of these pensioners for an increase in the pension, for more funding for aged-care services and for quarterly indexation of pensions who would say that we cannot afford more support for the elderly. We regularly hear expressions of concern from the Liberal Party and from right-wing commentators about workforce ageing and the accompanying idea that diminishing number of workers is going to be left with the burden of carrying a population grown old and grey. This kind of thinking and rhetoric lies behind the government proposals to increase the retirement age and/or reduce the income and support being received by pensioners and retirees.

It is true that the workforce is ageing. What is not true is that this is a problem. I refer the House to a report prepared for the Monash Centre for Population and Urban Research by Dr Katharine Betts released on 28 April this year titled 'The ageing of the Australian population: triumph or disaster?' Dr Betts' report points out that figures about the number of retirees compared with workers fail to state the full workforce participation picture, which needs to take into account how many children there are and the proportion of women who are working. If present rates of labour force ageing and participation continue, the proportion of the total population in the labour force will fall from the present level of 53 per cent to around 44 per cent by 2061. But this level of participation is nevertheless higher than the 42 per cent we had back in 1966. Back in 1966 the nation was thriving and yet even 50 years from now we will have a higher participation rate than we had back then when there was no talk of a small workforce carrying a large out-of-work burden.

Moreover, although there were more baby boomers born in the 16 years between 1946 and 1961 than there were in the 16 years earlier, between 1930 and 1945, all of the 16-year age groups younger than the baby boomers are more numerous than they were. Baby boomers do not form a unique bulge in the population python. Given that we have hundreds of thousands of people who are out of work, workforce ageing and retirement means that the unemployed get a chance to get a job. If we did not have or do not have older workers retiring then the chances of young people or the long-term unemployed getting a job fall accordingly.
Workforce ageing will solve unemployment and, if you genuinely want to solve unemployment—and not everybody does—this is a good thing.

Finally, talk about population and workforce ageing devalues older people and their ongoing contribution, financially and as carers, mentors and role models to society. It is regrettable that scaremongering about population and workforce ageing is not only used as a battering ram against social security in general, and pensioners in particular, but to devalue the sense of worth of older people who deserve better. We need to recognise the real and ongoing hardship faced by pensioners and retirees dealing with real cost-of-living pressures. We have seen rises in electricity, gas, water and council rates far outstripping inflation, driven by the infrastructure requirements of population growth. It intrigues me that the government is always ready to draw attention to the cost of population ageing but always silent on the cost of population growth. Australian pensioners deserve better.

Sheean, Ordinary Seaman Edward (Teddy)

Mr NIKOLIC (Bass) (21:15): I am pleased to have this opportunity to highlight the extraordinary bravery of a Tasmanian man, Ordinary Seaman Edward Sheean—known as Teddy to his mates—who died on 1 December 1942 while protecting his mates on the corvette HMAS *Armidale*. Teddy's bravery is confirmed in our military history and, although he was posthumously mentioned in despatches for that bravery, by any measure he deserves much higher recognition.

In recent years I have been a guest speaker at commemoration ceremonies for Teddy in Latrobe, Tasmania. The level of interest in his story is remarkable. I have strolled through the Sheean Walk in Latrobe many times, including with Teddy's nephew, Garry Ivory, and the sense of pride and respect that accompanies Teddy's memory is palpable. This is because, although Teddy Sheean was an Ordinary Seaman in the Royal Australian Navy, his actions were clearly extraordinary enough to generate this continuing level of respect and admiration. A submarine is named after him; songs and a historical walk are dedicated in his honour; and he is the subject of books, articles, media stories and even television programs like *Australian Story*.

The respect afforded to Teddy's memory reinforces that the actions of an individual can inspire many others. I refer here not just to military comrades but to communities and nations. Teddy's sacrifice set in motion a historical ripple that continues to lap against the hearts and minds of many Australians. And little wonder, given the circumstances of Teddy Sheean's bravery.

On 1 December 1942, HMAS *Armidale* was sinking in the Arafura Sea after being attacked by Japanese aircraft. The Japanese aircraft were firing at those in the water. The captain had given the order to abandon ship yet this young man, not even 20 years of age, staggered back to an Oerlikon gun and started firing at the Japanese aircraft that were shooting his mates in the water. Twice wounded, he continued firing until the ship sank. He died with the *Armidale*. The Navy's official history of World War II, in the understated language of the day, records:

The bomber fell to Ordinary Seaman Sheean at the after oerlikon, who remained at the gun when the ship sank.

Those twenty words are fleshed out in a footnote on the same page, where Teddy's shipmate, Ordinary Seaman R.M. Caro, adds pathos to this stark description:
Teddy died, but none of us who have survived, I am sure, will ever forget his gallant deed … None of us will ever know what made him do it, but he went back to his gun, strapped himself in, and brought down a Jap plane, still firing as he disappeared beneath the waves. Despite being wounded, Teddy continued to protect his shipmates—to put the lives of others before his own. Yet, in my view, our system has failed Teddy Sheean; it continues to fail in appropriately acknowledging his bravery.

Commanding officers of Australian Navy ships in 1942 were not permitted to specify the nature of the award they were submitting. Whereas Australian Imperial Force and Royal Australian Air Force awards were decided by Australians in Australia, our Navy had to submit its recommendations to the admiralty in London for consideration by an honours and awards committee.

Sheean's deeds were also suppressed from public knowledge by a decision of the Department of Defence on 9 December 1942 to 'impose a complete publicity ban upon HMAS Armidale's story.' The captain of the Armidale was one of only 47 survivors from a ship's company of 149 men. They survived for days at sea before being rescued. Sheean's case was not supported with the determination it deserved. He was a small fish in the very deep halls of the British admiralty.

I again add my voice in the strongest possible terms to Teddy's cause. His actions fit the criteria for much higher recognition. They were conspicuous and daring and constituted a pre-eminent act of valour and self-sacrifice against impossible odds. His was a display of rare and mighty courage that sits comfortably within that small and select group of people who have previously been awarded much higher awards for gallantry. I support Teddy's family and friends in fighting on to get Ordinary Seaman Teddy Sheean the recognition his valour and sacrifice so richly deserve.

Shortland Electorate: Belmont Medicare Rally

Mr CONROY (Charlton) (21:20): Around 500 people gathered at the 'Save Medicare' rally in Belmont this weekend to protest against the government's attack on our healthcare system. I was proud to march, as part of the community's fight to protect universal health care, from the Medicare office to the Belmont foreshore. It was interesting to note that, when asked how many in attendance had never attended a protest rally before, around 80 per cent of the crowd raised their hands. These were not seasoned activists. They were seniors and families with young children. They were not experienced campaigners. They were ordinary people united by their belief that everybody should have access to quality health care.

At the rally we heard from a local pensioner who said the $7 payment to see a doctor or specialist would hurt those on fixed incomes most—age pensioners, people with disability and families with young children. In the Hunter region, the GP tax will increase the cost of health care by more than $28 million in the next year alone. For many pensioners and people on income support payments this is a cost they simply cannot bear.

The rally also heard from Jake Howell, a local nurse and delegate to the New South Wales Nurses and Midwives' Association. As a front-line worker, Jake knows our hospitals do not need any more pressure; but the introduction of a tax will see people put off going to the doctor when they are unwell—in many cases, leading to more serious illness which will ultimately see the problem transferred from the GP clinic to the emergency ward. Coupled
with a $220 million cut in federal funding to the Hunter and Central Coast hospitals beginning on July 1, I hold grave fears for the ability of our public hospital system to cope with the strain.

I welcome the efforts of Labor in New South Wales who have introduced legislation which will ensure a co-payment can never be charged in public hospitals. I note that that bill is yet to be supported by the Premier, but I look forward to Mike Baird and his Liberal colleagues supporting Labor's position on this. I think it is particularly important if Greg Piper, Andrew Cornwell, Tim Owen and Garry Edwards are serious about representing our region that they support this important legislation in the New South Wales parliament.

Labor has a proud record of investing in preventative health and medical research in the Hunter. The former Labor federal government delivered close to $50 million to build the world-class Hunter Medical Research Institute, located within my electorate, which is home to more than 1,200 researchers and staff who are leading the way in the search for treatments and cures for a range of serious illnesses. This is the way to drive medical research. You do not do it by taxing sick people and stopping them going to their GP.

Labor in government also drove the creation of Medicare Locals, which strengthen primary care and make it easier for people to see a doctor. The Hunter Medicare Local are a forerunner in this field. Their model sets the benchmark and incorporates more than 20 years of knowledge in serving the Hunter community, firstly as the Hunter Urban Division of General Practice, then as GP Access and now as the Hunter Medicare Local. It defies logic to cut Medicare Locals, particularly given the pre-election commitment of those opposite that they would not do so, but the reality is that that is what they are doing in government. By replacing the existing network with fewer organisations, they are not only creating a tender process which many less well-established providers will struggle to navigate, they are also cutting the current level of funding for the Hunter Medicare Local by around 10 per cent and at least nine jobs have already been lost. The Hunter Medicare Local have confirmed their intention to tender to become a provider under the new system, which I welcome. However, this presents a significant challenge. A lot of work will need to be done to ensure they are best placed to secure this bid and they will have to adjust their structure in order to deliver it.

The government has also provided no certainty around the delivery of primary health services currently provided by Medicare Locals, which in the case of the Hunter Medicare Local includes the Headspace and Partners in Recovery mental health programs, the Connecting Care program and the popular GP Access after-hours service at Maitland, Belmont, John Hunter and Calvary Mater hospitals as well as at the polyclinic in Toronto. The government's proposal to charge patients $7 to see a GP or specialist could further undermine this service, should it continue. Even if public hospitals do not charge the fee, are services such as GP Access required to administer and collect the $7 fee from each patient they see in the hospital setting? If the Medicare benefit schedule is reduced, what impact will this have on their cost structure, given staff would be required to process transactions, IT equipment would have to be acquired and security measures taken? Across the board, from patients to providers, the impact of this government's attack on health care is being felt. The people of the Hunter voiced their opposition to this on Saturday. We will continue to voice our opposition and fight this unfair attack on our healthcare system.
Little League Baseball National Champions

Mr SIMPKINS (Cowan) (21:25): It is a big thing to represent one's country in any regard but particularly in sport when you first have to be the best in the country. I therefore take this opportunity to pay tribute to the effort of the 2014 Australian champions at the Little League Baseball competition. That team is the Perth Northern Metros, consisting of Etienne Charette, Matthew Coleman, Carter Dowling, Calvin Eissens, Benjamin Hewett, Callum Johnson, Blake Monaghan, Javier Pelkonen, Tarrant Reimers, Nicholas Riley, Callum Schipp, Daniel Stephenson, Zak Taylor and Jordano Vivona.

The Northern Metros beat 20 teams to be crowned the Little League Baseball Australia Region Champions at the 2014 Australian Little League National Championships. The six-day event was held on the Gold Coast, finishing on Sunday, 8 June, when Perth Northern Metros defeating Manly, 3:2, in a thrilling championship game. No doubt the pressure was extreme, yet the Northern Metros team were up to the challenge and were victorious. I congratulate them.

The head coach of the Northern Metros is Brian Armstrong. He was assisted by Grant Johnson and Kim Pelkonen, and the executive officer is Adam Stephenson. As head coach, Brian Armstrong pulled together the best 14 players from the Wanneroo and Carine baseball clubs. This is the second time in three years that they have been crowned national champions—they won in 2012. I have had the honour myself of winning a couple of national championships and I know the effort and dedication required to win. I know that this team did train hard because I recall seeing a team of boys in red training over the whole weekend about two months ago. Given I live less than 500 metres from the Wanneroo Baseball Club I saw them training very hard, and given the Wanneroo Baseball Club plays in orange and black it now make sense when I saw the boys in red. What was always clear was that the Northern Metros put in the time and effort, they worked hard and they won.

To put the achievement in perspective, Australia is the fastest-growing Little League baseball country in the world. Australia's national champions now receive automatic qualification to play in the Little League Baseball World Series in South Williamsport, Pennsylvania. The Northern Metros will get to be part of this opportunity of a lifetime. I hope that they do well, but also enjoy the great opportunity that they clearly deserve. The World Series takes place in August and the games will be televised internationally on ESPN.

Apart from paying tribute to second placed Manly, from the Prime Minister's electorate, I also congratulate Swan Hills for their third place at the championships. The other teams that participated included Adelaide North, Adelaide South, Brisbane Metro, Brisbane North, Brisbane South, Canberra, Perth Metro Central, Cronulla North, Eastern from Western Australia, Gold Coast, Hills North from New South Wales, Macarthur, Manly, Northern from Victoria, Northern Metro, Ryde North, Sunraysia, Swan Hills, West Coast and Yarra.

I am a fan of sport and particularly junior sport. While it is in many ways the defining game of the United States, baseball also speaks loudly to Australians. I think the skill levels, the fitness, the agility and the mental challenge of competition make it almost unique and that is why it is so widely played and growing. This is an opportunity for young people to learn important lessons in life. Those lessons include not only that you have to work hard or perhaps even harder than your opponents to achieve victory but also that respect for one's opponents is part of any good sport. Little League baseball is in fact a sport that has been built...
internationally for 75 years on participation and community, and therefore its reputation is based on good sportsmanship. From the Australian championship competition I know that the Sportsmanship Award is very highly regarded. Although certainly not from the Cowan electorate, the Swan Hills team from Perth was selected by other teams, officials and volunteers as displaying the very highest of sportsman-like behaviour throughout the competition and were therefore awarded the Sportsmanship Award.

It should also be noted that the Australian Little League is becoming literally world renowned for the high quality of sportsmanship and the positive participation by players, coaches, parents and spectators in the spirit of the game. Last year's team from Perth Central Metro were awarded the Sportsmanship Award. While being world champions would have been great, the reputation of our nation has been well advanced by the excellent young sportsmen that the Little League turns out in Australia.

I would again like to congratulate Brian Armstrong and the boys of the Perth Northern Metros for their national championship victory and wish them all the best as contestants in the 68th Little League Baseball World Series that begins on 14 August in South Williamsport, Pennsylvania. I hope that when the championship game commences on 24 August they are there and they are victorious. It will not be easy, but nothing worth winning is ever easy. They should be self-confident because they know that they are well prepared and they are tough, fit and mentally ready. I am sure they will bring credit to themselves and to our country.

The DEPUTY SPEAKER (Hon. BC Scott): Order! It being 9.30 pm the debate is interrupted.

House adjourned at 21:30

NOTICES

The following notices were given:

MR PYNE to move:

That:

(1) the House invite the Honourable Shinzo Abe, Prime Minister of Japan, to attend and address the House on Tuesday, 8 July 2014, at 10.50 am;

(2) unless otherwise ordered, at the sitting of the House on Tuesday, 8 July 2014;

(a) the proceedings shall be welcoming remarks by the Prime Minister and the Leader of the Opposition and an address by the Prime Minister of Japan, after which the sitting of the House automatically shall be adjourned; and

(b) the provisions of standing order 257(c) shall apply to the area of Members' seats as well as the galleries;

(3) a message be sent to the Senate inviting Senators to attend the House as guests for the welcoming remarks by the Prime Minister and the Leader of the Opposition and address by the Prime Minister of Japan; and

(4) any variation to this arrangement be made only by an action by the Speaker.

MR PYNE to move:

That, in relation to proceedings on the Trade Support Loans Bill 2014 and the Trade Support Loans (Consequential Amendments) Bill 2014, so much of the standing orders be suspended as would prevent the following from occurring:
(1) the resumption of debate on the second readings of the bills being called on together;
(2) at the conclusion of the second reading debate, not including a Minister speaking in reply, or 45 minutes after the resumption of the second reading debate, whichever is the earlier, a Minister being called to sum up the second reading debate and then without delay (a) one question being put on any amendments moved to motions for the second readings by opposition Members, (b) any necessary questions being put on amendments moved by any other Member, and (c) one question being put on the second readings of the bills together;
(3) if the second readings of the bills have been agreed to, a message from the Governor-General recommending an appropriation for the Trade Support Loans Bill 2014 being announced;
(4) the consideration in detail stages, if required, on the bills being taken together for a period not exceeding 20 minutes at which time any questions necessary to complete the detail stage being put;
(5) at the conclusion of the detail stage, one question being put on the third readings of the bills together; and
(6) any variation to this arrangement to be made only by a motion moved by a Minister.

Mr Pyne to move:
That, in relation to proceedings on the Social Services and Other Legislation Amendment (2014 Budget Measures No. 1) Bill 2014 and the Social Services and Other Legislation Amendment (2014 Budget Measures No. 2) Bill 2014, so much of the standing orders be suspended as would prevent the following from occurring:
(1) the resumption of debate on the second readings of the bills being called on together;
(2) at the conclusion of the second reading debate, not including a Minister speaking in reply, or 3 hours after the resumption of the second reading debate, whichever is the earlier, a Minister being called to sum up the second reading debate and then without delay, (a) one question being put on any amendments moved to motions for the second readings by opposition Members, (b) any necessary questions being put on amendments moved by any other Member, and (c) one question being put on the second readings of the bills together;
(3) if the second readings of the bills have been agreed to, messages from the Governor-General recommending appropriations for the bills being announced together;
(4) the consideration in detail stages, if required, on the bills being taken together for a period not exceeding 30 minutes at which time any questions necessary to complete the detail stage being put;
(5) at the conclusion of the detail stage, one question being put on the third readings of the bills together; and
(6) any variation to this arrangement to be made only by a motion moved by a Minister.

Mr Simpkins to move:
That this House:
(1) notes the increasing instances of Australian citizens taking up arms for foreign military and extremist causes including, but not limited to, the Islamic State of Iraq and the Levant, representing a threat to good order in international affairs and the safety of Australian citizens;
(2) acknowledges:
(a) that by taking up arms or supporting such causes, those citizens have failed to comply with the pledge they made when they became an Australian citizen, to uphold the laws of Australia; and
(b) those who have taken up arms or supported such causes, and were born Australian citizens but have a second citizenship, have also repudiated their allegiance to Australia; and
(3) urges the Government to amend the Australian Citizenship Act 2007 to allow the revocation of the status of citizen for those who take up arms, or provide material and/or financial support for military/extremist causes, except where such action is at the direction of the Government.

**MR ALBANESE** to move:

That this House:

(1) condemns the:

(a) failure of the Government to appoint a Minister for Tourism; and
(b) Government's:

(i) broken promise to increase funding for Tourism Australia;
(ii) decision to abolish the Survey of Tourist Accommodation;
(iii) job cuts at Tourism Research Australia;
(iv) failure to reject the Commission of Audit's recommendation to halve funding for Tourism Australia;
(v) decision to dump domestic marketing responsibilities on cash-strapped state and territory governments; and
(vi) decision to abolish Round 2 of the Tourism Industry Regional Development Fund;

(2) notes:

(a) for the first time in more than 40 years, Australia has no Minister for Tourism;
(b) comments by the former Coalition Minister for Small Business and Tourism, the Hon. Fran Bailey, that halving Tourism Australia funding would be ill-informed and short-sighted;
(c) the 2014-15 budget papers show that Tourism Australia has fewer resources available to it this year than under the Labor Government in 2013-14;
(d) the Tourism Industry Regional Development Fund provided crucial support to regional tourism operators across Australia to improve the quality of tourism offerings;
(e) more than 450 regional tourism businesses applied for Round 2 of the Tourism Industry Regional Development Fund at a cost of up to $5000 per application;
(f) applicants had secured matching private investment for the program, which has been lost as a result of the decision to axe the program;
(g) the Survey of Tourist Accommodation has been running for more than 40 years and provides key data to industry and government on tourism trends;
(h) comments by tourism bodies and stakeholder groups, criticising the Government's decision to axe the Survey of Tourist Accommodation and calling for reinstatement of funding; and
(i) the Minister for Trade and Investment's comments that the government intends to 'replace the role of government spending' in tourism in the future;

(3) calls on the Government to:

(a) appoint a Minister for Tourism;
(b) reinstate:

(i) funding for Round 2 of the Tourism Industry Regional Development Fund;
(ii) funding for the Survey of Tourist Accommodation; and
(iii) the lost jobs at Tourism Research Australia and end the cuts;
(c) release program details for its so-called 'demand-driver infrastructure' program;
(d) reject the Commission of Audit's recommendation to halve funding to Tourism Australia; and
(e) tell the tourism sector the date that tourism funding will end; and

(4) acknowledges:
   (a) tourism is Australia's largest services export;
   (b) the sector contributes $107 billion to the Australian economy every year;
   (c) tourism employs more than 929,000 Australians;
   (d) domestic tourism makes up 70 per cent of the total tourism sector;
   (e) Deloitte's report identifying tourism as one of five super-growth sectors that can deliver a combined $250 billion to the Australian economy over the next 20 years;
   (f) every dollar spent in tourism in Australia generates another 92 cents in other parts of the economy;
   (g) the contribution of regional Australia to Australia's $107 billion tourism supports regional tourism operators;
   (h) the value of tourism to regional Australian economies and communities; and
   (i) the tireless work of the sector to promote Australia.

**MS VAMVAKINOU** to move:

That this House:

(1) acknowledges that 20 July 2014 marks 40 years since Cyprus was divided;

(2) recognises the continuing support of this parliament and successive Australian governments towards achieving a just and fair resolution for the Cyprus problem;

(3) urges the Australian Government to aid the current peace process based on relevant United Nations resolutions, including United Nations Security Council resolutions 2135 (2014) of 30 January 2014 and 1251 (1999) of 29 June 1999 and subsequent resolutions, on respecting the sovereignty, independence and territorial integrity of Cyprus;

(4) notes that any solution to the Cyprus conflict should result in the demilitarisation and reunification of the island for the benefit and welfare of its entire people and peace in the region; and

(5) recognises 50 years of continuing service by the Australian Federal Police in the United Nations peacekeeping mission in Cyprus that this House reaffirms.
Monday, 23 June 2014

The DEPUTY SPEAKER (Hon. BC Scott) took the chair at 10:30.

CONSTITUENCY STATEMENTS

Euthanasia

Ms MacTIERNAN (Perth) (10:30): Today I want to call upon the parliament to once and for all finalise the issue of voluntary euthanasia. I think it is fair to say that over the last 30 years we as a political class have failed to grapple with something that I believe is a very significant issue—that is, giving people in their final stages of life, particularly those suffering terminal illness, the capacity to be assisted in their process of dying.

I think we have, as a political group, been far too timid to accept what is overwhelmingly supported by the Australian people; we should have a choice in those final stages of our lives as to whether we die with dignity or we are required to continue to suffer in pain and agony.

Currently supporters of this within the Australian community outnumber the opponents six to one. I think it is time for us to act. I do not believe this is something that we can leave up to the state and territory governments. We have seen this attempted unsuccessfully in a number of jurisdictions. I believe there is clearly a head of power in section 51 that enables us to legislate medically based assistance for dying. I call upon us to think of these revolting cases we so often hear about, where people are required to suffer an immense indignity because we have been too fearful of legislating in this regard.

In Western Australia we have seen some absolutely appalling cases. Herbert Erickson did not want to be a torchbearer for euthanasia, but this 81-year-old gentleman was found drowned in the ocean. He had cared for his wife for many years. They had a suicide pact. He smothered his wife and then attempted to kill himself. But his attempt failed. He was then charged with her murder and subsequently found guilty. He was forced, in his view, to take his own life in a more dramatic way. There was the case of Christian Rossiter, a paraplegic living in a nursing home, his health failing—(Time expired)

Petition: Mobile Phone Services

Mr WHITELEY (Braddon) (10:33): Inadequate mobile phone coverage remains a significant issue for Australians living, working and travelling in regional and remote areas of the country, particularly in the electorate of Braddon. That is why at the 2013 election, after seven years of inaction by the previous Labor government, the coalition committed $100 million for a mobile phone Black Spot Program. Under this program, local communities around the country may be nominated for funding to assist telecommunications companies to provide mobile phone coverage in their area.

One community seeking such assistance under this program is Sisters Beach. I have spoken about the importance of mobile phone coverage to the Sisters Beach community previously in this House. In that speech I highlighted that Sisters Beach is located inside a national park with just one road in and one road out. That presents serious safety issues for both residents and emergency services, particularly in the bushfire season. The area is also a popular tourist destination, with many thousands of visitors each summer. Since that speech, residents and visitors of Sisters Beach have again signalled their support for mobile phone coverage by signing a petition seeking funding under the program. This petition is certified as meeting the...
requirements of the Petitions Committee, and in a moment I will table the petition. One hundred and sixty-six people signed the petition. This is a tremendous sign of local community support for Sisters Beach to be included in the coalition's $100 million mobile phone program. I commend Jono Vincent and the Sisters Beach Community Association for initiating and promoting this petition.

But mobile coverage difficulties do not stop with Sisters Beach. Since the election, I have been contacted by people throughout the electorate, seeking information about how their communities can be considered in the program. I have been contacted via Facebook by residents along the west coast, whose mobile phones drop in and out of range. I have been contacted via email from people in the centre of Devonport, who have reported similar problems. When people visit my office, they regularly say, 'I can't leave you my mobile number because I don't get a signal at home.'

During a recent visit to Braddon, the Parliamentary Secretary to the Minister for Communications, Paul Fletcher, visited not only Sisters Beach but also Gunns Plains. Gunns Plains, equally, has a capacity to draw thousands of people each year to its area, to both its caves and the Wings Wildlife Park.

I look forward to continuing to promote these areas for Black Spot Program funding. I understand that the process will continue to roll on in the years ahead. I look forward to representing my electorate in these areas. I now table the petition.

The petition read as follows—

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

This petition of residents and visitors of Sisters Beach on the North-West Coast of Tasmania draws to the attention of the House, the lack of mobile phone coverage at Sisters Beach and the risk this poses to residents and visitors during the fire season and in case of emergency.

We therefore ask the House to consider allocating funding under the Liberal Coalition's $100 million Mobile Phone Black Spot funding program to the Sisters Beach community to ensure all residents and visitors have access to essential services.

from 166 citizens
Petition received.

Bendigo Electorate

Ms CHESTERS (Bendigo) (10:36): Today I rise to show my support for one of my local councils, the City of Greater Bendigo, and their approval last week of a planning application to build a mosque in East Bendigo. I am told from local councillors involved that it was a tough meeting and there were a number of people who had come with an agenda to speak against Islam. An anti-Islamic group had descended on the council meeting, and there was an angry mob that attacked councillors who stood up and spoke in favour of not only the application and approving the application but also multiculturalism in Bendigo. Whilst we all acknowledge that freedom of speech is part of our democratic right, there is a responsibility that comes with being a community leader. I quite proudly join a number of the Bendigo councillors regularly at citizenship ceremonies, where we, together, continue to take the affirmation and pledge to what it means to be an Australian and the constitutional rights that we have as Australians.
Australia is committed to various values and institutions. These are some of the words that our local mayor states, and these are part of the citizenship ceremonies that we have all, as elective representatives, been part of. Australians have committed to various institutions. These include parliamentary democracy, equity before the law, freedom of the individual, freedom of speech and religion, equality between men and women, and equality and opportunity for all. Citizenship brings civil and social rights—the rights to express your cultural heritage and belief, coupled with a responsibility to accept the rights of others to express their heritage and beliefs. As one of the community leaders in Bendigo, I am proud to stand for these values. I believe they define us as a nation and speak to our multicultural heritage. I am also proud to stand with other local leaders, such as our Mayor, Councillor Barry Lyons; the member for Bendigo East, Jacinta Allan; and the member for Bendigo West, Marie Edwards.

This is an issue that should not be partisan. This is an issue across the political spectrum. We should stand together to support multiculturalism. I just wanted to finish on a few words from one of our other local leaders, Anita Jack. Anita Jack is part of our very strong Bendigo Chinese Association, and she said:

We live in a secular society … secular by choice, by the people, and with that we allow things like The Stupa, the Chinese temple, churches and cathedrals to co-exist harmoniously and the mosque should be no different.

I agree with Anita.

**Sisters of Charity**

Ms GAMBARO (Brisbane) (10:39): It is with great pleasure today that I speak on the inspiring contribution of the Sisters of Charity to the Australian community. This is a year of celebration for the Sisters of Charity and it marks 175 years of service to Australia. It was my great honour to attend the celebrations to mark this significant event on Saturday, 31 May at St Stephen's cathedral in Brisbane with the Sisters of Charity congregational leader, Sister Annette Cunliffe, as well as Sister Elizabeth Dodds who both celebrated their golden jubilee in 2012.

The Sisters of Charity order began in Dublin in 1815 at the request of Bishop Daniel Murray. It was a time of rising unemployment, poverty and famine. Sister Mary Aikenhead led the new religious women as they began their work, concentrating on religious instruction in schools, caring for orphans, repentant women, visiting the sick and prisoners.

Mary led this order of nuns to take their work to the streets and, for the first time ever, work was done outside the secluded life of the convent. This great step forward earned the nuns the title of the ‘walking nuns’. Their focus became one of helping the poorest and the most neglected in our community.

Among Mary's great achievements was the creation of schools, the realisation of a great dream for a hospital. She dreamed of a facility where the poor would be treated with love and dignity. This continued throughout time and geography with my electorate of Brisbane being a beneficiary of Mary Aikenhead's dream.

The site where St Vincent's Private Hospital now stands at Kangaroo Point was originally known as Mount Olivet Hospital established by the Sisters of Charity in 1954. The hospice was dedicated to caring for the sick and dying, especially the poor.
In addition to setting up the hospice, the sisters also established St Finbarr’s school in Ashgrove, Mount St Michael's College in Ashgrove in my electorate of Brisbane. The students of Mount St Michael's played a leading role in the May celebrations, being involved in the preparation, particularly in the areas of drama, dance, music and hospitality.

Mary Aikenhead was a visionary. Her ideas and practical mind on how to help the poor and the convicts infected all of those around her so when she was asked by Australia’s first bishop, Bishop Beattie, to work with the Australian Catholic Church, there was no hesitation on the part of the five volunteers who made the long journey to begin their work in Australia.

They arrived in 1838 to commence their work with Catholic women convicts at the female factory in Parramatta. They walked everywhere visiting schools, hospitals, orphanages and jails. They were the first women religious order in Australia.

As I said, those of us who were fortunate to be able to attend the celebrations at St Stephen’s cathedral were the beneficiaries of a joyous day of learning about the story of those five brave sisters who arrived in Australia in 1838 to carry on the inspirational work of their order and of Sister Mary Aikenhead of those caring for the less fortunate. I wish them all the best into the future.

Bowtell, Mr William Devere

Mr RIPOLL (Oxley) (10:42): I want to take this opportunity to record my condolences to the passing of William Devere Bowtell, known as 'Bowie', who was born July 1925. 'Bowie' was a great friend of many people in my electorate of Oxley. Bill 'Bowie' and his wife Peg lived in the Redbank area for over 70 years. They only recently celebrated their 67th wedding anniversary.

Bill, sadly, passed away on 19 June this year aged 88. 'Bowie' was one of those inspirational people—someone who was heavily involved in the local community. He was looked upon by many as somebody who gave them guidance, support and was always a tireless worker in the area. He was also a member of the Australian Labor Party and devoted many, many hours and days, weeks and months of his life to supporting working people in the local area.

He was a great branch member and somebody who had been involved over his many years in all sorts of little local battles and skirmishes and some of the great fun events of the Labor Party, including many, many elections. He could always be seen on election day, be it state, local or federal, helping and supporting someone.

He was also a very active member of the Redbank RSL subbranch and, to his last days, was always very active on Anzac Day and other memorial days. He always made sure that local people and local children remembered what our soldiers, men and women had done for this country.

He was a member of the Redbank auxiliary fire brigade; a longstanding member, since the 1950s, of the Goodna and District Rugby League Football Club as an active participant player; and was also part of the Goodna and Districts Old Boys Club in his later years. He was highly respected as a community champion. He was a mentor and leader, shaping the behaviour and character of others and teaching them how to respect others. He had had been involved in the preselection of Bill Hayden when he was endorsed for the seat of Oxley in 1961. He received an OAM for service to the community.
He will be sorely missed by so many people, not just in the Labor Party, the RSL, the fire brigade or the old boys rugby league club, but I know he will be very much missed by his family, Peg, and his many friends in the local area. Our thoughts are with them and we wish them very well.

**Domestic Violence**

Ms PRICE (Durack) (10:45): I wish to discuss an issue that is all too prevalent, not just in my electorate of Durack but, sadly, across the nation: domestic and family violence. In March this year I was given the honour of representing the Prime Minister at the UN International Women's Day celebration in Perth. There was much talk about the plight of women around the world, living in poverty and suffering from mental and physical abuse. However, it is the statistics relating to our Australian sisters, mothers, daughters and aunts that struck the greatest chord with me.

Domestic violence is a complex issue that can be defined as an act of violence or abuse that takes place between people who have had or are having an intimate relationship. These can be acts of physical, sexual, emotional or psychological abuse and the desired effect is often to control through fear and intimidation. I believe it is important to note that, whilst the majority of domestic cases involve men carrying out violent acts against women, men too can be victims of abuse perpetrated by their female partners, as can people in same-sex relationships. It is truly disturbing that a 2005 personal safety survey conducted by the Australian Bureau of Statistics found that, within their lifetime, about one in three women will experience physical violence and almost one in five will experience sexual violence. The same report stated that more than a million women had experienced physical or sexual assault by their male current or ex-partner since the age of 15.

While these statistics are shocking, the figures I found truly disturbing were those for Indigenous women and women in rural and remote areas. Durack has the third-highest proportion of Indigenous residents—some 16.3 per cent—so to learn that Indigenous women are 35 times more likely to be hospitalised due to family violence and that women in remote and rural areas were more prone to the risks and effects of violence was truly disturbing. Ensuring that these women and their families have adequate access to support services, that their voices are heard and that assistance is available is imperative. Domestic and family violence has far-reaching effects. It not only leaves a lasting impact on the individual but also their children, who are often left with significant emotional and physical trauma and can often consider the violence as normal.

I had the pleasure of attending a fundraiser on the weekend for the women's refuge in Port Hedland. Well done to Charlene Peters for organising such a fabulous event and thanks to her and her husband, Peter, and their friends for making Brad and I feel so very welcome. The women's refuge is often the last resort for women in Port Hedland who have experienced domestic violence. Money raised over the weekend will help the refuge to continue to provide this critical service, plus it will provide funds to create a welcoming garden at the refuge. Charlene, you are indeed a Hedland hero.

**Health Care**

Ms HALL (Shortland—Opposition Whip) (10:48): On Saturday, the Labor members of parliament from the Hunter, Pat Conroy, Sharon Claydon and I, joined with the shadow
assistant health minister, Stephen Jones, to lead a Medicare march from the Belmont Medicare office, which the Howard government closed and Labor reopened when they were in power, to the foreshore of Lake Macquarie. Over 500 people were involved in that march. They were saying no to the Abbott government's GP tax, no to cuts to health and no to increased prices for prescriptions. It was a very interesting rally because the shadow minister asked people to put up their hand to say if they had or had not ever been to a rally before, and 80 per cent of the people said they had never attended a rally. The oldest participant in the rally was 96. He had been to a rally before. But there were a 92-year-old and an 87-year-old who had never been to a rally before in their lives. There were young people, families and children. There was so much angst and anger about the proposal to charge a $7 GP tax when people visit the doctor. Never before have I seen people so willing to turn out.

Speakers at the rally included the Mayor of Lake Macquarie, Jodie Harrison, who is going to be the state candidate in the seat of Charlestown; Yasmin Catley, who will be the Labor candidate in the seat of Swansea; Jake Howell, a registered nurse who works in accident and emergency, who expressed his concern about how the GP tax would impact on the accident and emergency department at Belmont hospital; and Deadre Ham, a pensioner, who talked about how she had recently had two knee replacements and how important it was for her to be able to go to a doctor who bulk-billed. Gary Kennedy from Trades Hall also spoke at the rally.

It was really interesting to see the level of community support for this march and rally. I was speaking at a function on Saturday night and I spoke to someone who works in a local business who said that the people just kept coming and coming and coming. Probably one of the most interesting aspects of the rally was that the state Liberal member for Swansea turned up and gave an interview to the local TV station, where he said it was a bad decision and that he and the New South Wales state Liberal government oppose a GP tax.

Mr McCORMACK (Riverina—Parliamentary Secretary to the Minister for Finance) (10:51): I rise to speak today about a warm, empathetic, humorous, intelligent and funny friend of mine called John Winterbottom. On Friday, I had the absolute pleasure of presenting John with his Order of Australia medal. He normally would have gone to Sydney to receive it from Governor Marie Bashir, but his polio did not allow him to do that, and he wanted me to present it. We have been mates for years.

John Winterbottom is a tremendous person, born on 7 March 1945 at Nurse Scott's in Thorne Street, Wagga Wagga. The son of Elsie and Ian—better known as 'Bindy'—Winterbottom, he was educated at Gurwood Street Demonstration School. He then attended Wagga Wagga High School. He left after the third year there and did not receive his intermediate certificate until it was given to him in his 60s. He contracted polio in 1948. He was one of four youngsters—Margaret Kendall, Shirley Heydon and Owen Smith being the others—all within a block of one another who contracted polio at the same time. He spent 2½ years in the Wagga Wagga Base Hospital. Thereafter, every six months until he was 14 years old, he would go to the Far West home at Manly for treatment.

He had it against him right from the start. Despite that disability, John got on with life. He went and worked at All Cars, in the spare parts department, working with mechanics and car salesmen, ordinary people. He is an ordinary person, he says—he has done extraordinary
things, might I add—and he loves ordinary people. Then he worked at the kitchen in the Riverina College of Advanced Education. But he got the sack from there because he opened the bar too early one night when the footy players needed some refreshments after a game. Despite that, he was then offered a job at the teachers' college library, where he started stacking books.

The rest, as they say, is history. He got involved with the Charles Sturt University archives, the committee of the Wagga Wagga and District Family History Society and the Wagga Wagga and District Historical Society. He then found a niche with the local ABC radio and The Daily Advertiser newspaper, presenting those wonderful historical stories that have made him so well known. He is a household name right throughout the Riverina. Indeed, last Friday when he could not turn up for his normal segment on the ABC as he was getting his OAM, a caller phoned in from Tumut and bemoaned the fact that this humorous, wonderfully intelligent man was not on his ABC. He demanded to know why. He said, 'Come back, John.' John is a tremendous human being. Certainly his wife, Jan, has been very supportive. I wish John all the very best for the future. He has that disability, but I tell you what: it has not stopped him. He is a wonderful man and this is a well-deserved award.

Grayndler Electorate: Women's Homelessness and Youth Services

Mr ALBANESE (Grayndler) (10:54): Women's homelessness services in the electorate of Grayndler are at great risk. The state government's Going Home Staying Home initiative has changed the tendering for these services. The New South Wales Department of Family and Community Services has released only one tender package for the entire inner city of Sydney to cater to women-only services. These services help more than 2,000 women every year. However, the combination of reduced funding and the release of only one tender package will mean only 505 women and their children will be able to be assisted. The new tender process, apart from reducing funding by $6 million, aims to provide services to men and women in the same facilities. It is vital that women and children escaping domestic violence are assisted in an environment of trust, and the establishment of the necessary trust is impossible in mixed gender environments. There are presently a number of services that can assist women in my electorate of Grayndler, but the changes proposed by the state government will have a huge impact on the ability of these services to continue.

This year is the 40th anniversary of the Leichhardt Women's Community Health Centre. In the last 40 years not one of the local centres providing specialist services to women has had its funding threatened by governments of either persuasion. As things stand, many of these services will have to start closing their doors as soon as June. I urge the state government to reconsider the tender process that is underway in inner Sydney. It is causing great distress. Just over the weekend I was contacted by people from Blackwattle Bay Secondary School—it is part of Sydney Secondary College—about the threat to funding for the Lillian Powell project. This is causing a great deal of angst and it should be something that is not a party-political issue.

In my electorate there are a number of organisations that run Youth Connections programs. Youth Connections helps young people who have not completed or are at risk of not completing year 12 or equivalent qualifications and have barriers that make it difficult to participate in education, training or employment. I have seen firsthand Rosemount, in Marrickville, which is run by the Catholic Church. It provides a fantastic service, taking
young people and giving them opportunities. As it stands at the moment, young women who are in year 10 will not be able to go to year 11 and year 12 next year as a result of these funding cuts. Youth Connections provides an alternative education program for young people who are or have been at risk of being alienated from not just education but society as a whole. This is a program that must receive funding. I call upon the government to reconsider these mean-spirited cuts to this essential service.

**Ryan Electorate: Refugee Services**

*Mrs PRENTICE (Ryan) (10:57):* The importance of a strong community and a flexible model to integrate refugees into Australian society cannot be stressed enough. All too often there is a one-size-fits-all model when it comes to introducing refugees to Australian society. This cannot work successfully. I am fortunate in my electorate of Ryan to have many caring and compassionate members. Through churches, charities, small local groups and especially individuals, they reach out to refugees as best they can. However, when they are stifled by bureaucracy and inflexible red tape, worthy deeds become futile.

I recently heard the story of a young Middle Eastern man who is suffering serious depression as a result of being separated from his home and his family. A kind woman in my electorate took him in, unaware of his mental condition, and she was not considered appropriate or important enough to be told about his background. When this young man tried to take his life, my constituent was helpless. She rushed him to the hospital. Once there, the young man spent days under close surveillance. Meanwhile, my constituent was kept totally in the dark, unsure as to whether or not the young man had even survived. Luckily, he did pull through. However, my constituent is a middle aged woman living on her own. She knew she would be unable to physically help the young man were he to try suicide again—not to mention the psychological stress the situation had already placed on her, with no offering of counselling or support after this incident. So she asked that, if the young man were to return—she still wished to help him—a male acquaintance of his also join him in her house. This all became much too hard for the group administering the settlement of the refugees and, in the end, the poor young man, who really did need help and somewhere to settle down, was pushed back into the system. Gone! Gone to someone else, who, no doubt, has been deemed not important enough to know his background.

This situation cannot continue. I always tell my community members when they ask what can be done about the refugee situation in Australia that real change starts with the individual. Yet no matter how dedicated and hard working the individual, with an unhelpful bureaucracy they will get nowhere and the vicious cycle will continue.

Government has the opportunity to change the situation, to let the good members of our Australian community reach out and help those people who are new to our great country. We just need to give them the chance. We should all recognise that diversity makes Australia stronger.

**The DEPUTY SPEAKER (Mr Porter):** Order! In accordance with standing order 193 the time for constituency statements has concluded.

**PRIVATE MEMBERS' BUSINESS**

**Funding of the National Congress of Australia's First Peoples**

*Mr NEUMANN (Blair) (11:00): I move:
That this House notes:

(1) notes that:
(a) the National Congress of Australia’s First Peoples (Congress) is the national representative body of Aboriginal and Torres Strait Islander peoples; and
(b) Congress:
(i) was established with a view to creating a new relationship with governments to reset the relationship based on partnership and genuine engagement with Aboriginal and Torres Strait Islander peoples; and
(ii) is owned and controlled by its membership and independent of government;

(2) recognises:
(a) the important role of Congress as a leader and advocate for recognising the status and rights of Aboriginal and Torres Strait Islanders as First Nations Peoples in Australia; and
(b) that the existence of an effective national body is essential to the Government’s ability to fulfil its Closing the Gap targets;

(3) acknowledges that:
(a) Congress received Deductible Gift Recipient status in July 2013, allowing it to begin to pursue income opportunities with corporate Australia and the wider community;
(b) the previous government committed:
(i) $29.2 million over four years to establish Congress; and
(ii) $15 million over three years in the 2013 budget to support Congress to continue to develop income opportunities to sustain the organisation; and
(c) ongoing Commonwealth funding beyond 2013 is essential to support the continued sustainability of an independent national voice for First Nation Peoples;

(4) notes with concern that the Government plans to cut the $15 million funding and abandon the commitment to the sustainability of Congress as the national representative body for Aboriginal and Torres Strait Islander Peoples; and

(5) calls on the Government to commit to the sustainability of a strong Congress by honouring the $15 million funding commitment.

The Prime Minister’s budget of broken promises and betrayal gutted more than $500 million from programs that support Aboriginal and Torres Strait Islander peoples. More than five weeks on, the government is yet to explain where most of the $500 million in cuts will fall. But the government had no trouble in deciding where to cut the first $15 million. Despite the government’s rhetoric about a new engagement with Aboriginal and Torres Strait Islander peoples, the first cut this government made was to the National Congress of Australia’s First Peoples. The then opposition leader, now Prime Minister, in a speech to the Sydney Institute, on 15 March last year, said:

I want a new engagement with Aboriginal people to be one of the hallmarks of an incoming coalition government—and this will start from day one …

Well, the Prime Minister honoured this commitment by cutting $15 million from congress, the national representative body, owned and operated by Aboriginal and Torres Strait Islander peoples. Labor are committed to genuine engagement and partnership with Aboriginal and Torres Strait Islander peoples. Central to Labor’s efforts to strengthen relationships with
Aboriginal and Torres Strait Islander peoples has been our continuing support for the National Congress of Australia's First Peoples.

The congress was established to represent Aboriginal and Torres Strait Islander peoples across Australia and to provide a national voice in policy development and evaluation, independent of government. Today, congress has a growing membership of over 7,500 individuals, as well as hundreds of organisational members.

We acknowledge the valuable role of congress as leaders and advocates for the recognition and status and rights of Aboriginal and Torres Strait Islander peoples as Australia's first nation peoples. The Kimberley Language Resource Centre, which I had the honour and privilege about a year or so ago of attending, is an organisation affiliated with and is a member of congress, as is the New South Wales Aboriginal Land Council. The Aboriginal and Torres Strait Islander Women's Legal Service North Queensland Inc, in my home state of Queensland, is also a member of the organisation.

Congress engage a youth forum, which started in 2012, a representative body, and continue to make valuable contributions to parliament and the public debate in terms of policies in relation to our Indigenous people. As a member of various committees, I have personally witnessed contributions that congress has made to inquiries into FASD, constitutional recognition, the Gonski funding model and of course into the early education of Indigenous people. They released an education policy after extensive consultation, addressing issues including early childhood education, employment transition from school, bilingual education, ATSIA content and curriculum teacher education courses.

They also partnered with the former federal Labor government and the member for Lingiari, when he was the Minister for Indigenous Health, in relation to the National Aboriginal and Torres Strait Islander Health Plan. They had been holding governments of both persuasions to account in relation to closing the gap. Co-chairs Les Malezer and Kirstie Parker have said of policy in relation to Aboriginal and Torres Strait Islander peoples: Nothing about us without us.

Closing the gap will not work as an exercise in paternalism. There is and must remain a partnership based on mutual respect, trust and acknowledgement. That is why Labor committed a further $15 million over three years in the 2013 budget to ensure the continuation of this national voice, providing the views of Indigenous people to governments and community on issues and policy that affect them.

Of course we committed, as I said in the motion, $29.2 million over four years to establish the Indigenous congress. Kirstie Parker has been very critical of the current government in relation to the discontinuation of the $15 million. She said:

Discontinuation of $15 million set aside in the Budget Forward Estimates for Congress from 2014-17 amounted to censorship of independent Aboriginal and Torres Strait Islander voices by stealth …

The tragedy in all of this is that the coalition government has adopted a paternalistic approach in relation to this issue, not consulting the peak body and not taking forward Aboriginal and Torres Strait Islander policy in a good way. This funding should be restored.

The DEPUTY SPEAKER: Is the motion seconded?

Mr Stephen Jones: I second the motion and reserve my right to speak.
Mr ENTSCH (Leichhardt) (11:06): I welcome the opportunity to speak on this motion. Can I say from the beginning that there are many large and vibrant Aboriginal and Torres Strait Islander communities in the electorate of Leichhardt. We rate sixth-highest in Australia for Indigenous residents. Issues of effective advocacy come up fairly regularly in my office, and that is how I became aware of the National Congress of Australia's First Peoples. I welcome the opportunity to clarify a few of the misconceptions around this organisation and what they do, and to explain why we should not be honouring Labor's $15 million funding commitment.

Unfortunately, this is another example of the previous government splashing the cash without requiring accountability or real outcomes for Indigenous Australians. Here are a few points to consider. On its website Indigenous congress describes itself as ‘a company limited by guarantee’. It is owned and controlled by its membership and its directors. In 2009-10 the congress received $29.3 million from the previous government to support its setup and operations. Labor also committed another $15 million over three years for the 2013-14 budget. That would have totalled united government funding of $44 million, for an advocacy body of less than 8,000 members. That is a huge amount for an organisation that sees itself as fiercely independent of government and provides no advisory services whatsoever for government. Late last year, as a courtesy, Minister Scullion told the congress that they were unlikely to get the $15 million that Labor had promised them. We did, however, extend their funding agreement until 30 June 2017 to enable congress to use its substantial cash reserves, some $7 million, to support its operations and achieve financial independence, which was part of its commitment and charter. I find it somewhat hypocritical that congress is using some of its government provided financial resources to carry out a campaign against the government when we are effectively helping them become what they have always wanted to be: independent.

At the same time Indigenous people are questioning whether the national congress is truly representative and the extent of its community engagement. The Indigenous Times on 19 February 2014 reported that some members of congress were disappointed with the organisation. In the letter to the editor it stated:

Does congress truly represent us? Membership is so low, voting numbers even lower. … They have taken their eye off the bigger, strategic picture. They should have been lobbying on issues, making the organisation relevant and bringing about change for our mob … Instead they focussed on lobbying about themselves …

I note that in early 2014 the congress held public meetings in a range of cities and regional centres to discuss the impact of the so-called funding crisis. Attendance ranged between 20 people and 40 people. At the same time, the congress started a letter-writing campaign asking members to email their local members and senators. They were aiming for 1,000 emails, but I am told that there was limited take-up from the communities or the media and the campaign appears to have fizzled out. As somebody who has the sixth-largest Indigenous population in my electorate, I received almost none. In fact, I do not recall receiving any letters or emails whatsoever. A further indication is that, at the latest election, when congress's co-chairs were elected, only 800 members voted. This is out of a membership of 7,500 individual members and 172 member organisations. To me, these factors raise serious concerns as to whether congress is a true voice of Indigenous Australia.
Over the past 12 months, this government has sought to go where no other government has
gone before in terms of Indigenous engagement and driving policy that will better the lives of
First Australians. In the 2014-15 budget, we are investing $4.8 billion to support priorities of
getting kids back to school, adults to work and community safety. We are consolidating more
than 150 individual programs and services into five new streams, under an Indigenous
Advancement Strategy. By targeting funding towards the key outcomes, organisations will be
able to focus their time and effort on delivering services on the ground. We are also
continuing to work on recognising Indigenous Australians in the Constitution and will release
a draft proposal this year.

It is absolutely vital that the government stay attuned to the range of voices within the
Aboriginal and Torres Strait Islander community. We will continue to engage with
Indigenous stakeholders from right across the spectrum, including the national congress,
when designing policies and implementing services that affect Aboriginal and Torres Strait
Islander people. For the reasons I have outlined, I certainly do not commend this motion to
the House.

Mr STEPHEN JONES (Throsby) (11:11): When a government changes, the country
changes. So said Paul Keating in his famous dictum. I agree with that totally. But some
national projects have to survive the political baton change. It often falls to a government and
a parliament to continue the good work of the previous government and the previous
parliament. So it is with the project of national reconciliation, recognition and removing the
gap that exists between Indigenous and non-Indigenous Australians. I thank the member for
Blair, the shadow spokesperson, for bringing this matter before the parliament. I acknowledge
the traditional owners of the land, the Ngambri and Ngunawal people, and pay my respects to
elders past and present.

Deputy Speaker, you would remember that, on 13 February 2008, the former Prime
Minister Kevin Rudd delivered the apology to the stolen generation. This was another step in
the process of reconciliation, another step in acknowledging that it falls to the government to
remove the burden of disadvantage and discrimination. He had this to say:
… we harness the determination of all Australians, Indigenous and non-Indigenous, to close the gap that
lies between us in life expectancy, educational achievement and economic opportunity.

We on this side of the House believe that it is critical that, in fulfilling these objectives, you
have representative bodies of Indigenous Australians to enable us to consult and enable them
to have an organised voice so that they can speak to government effectively, with power and
dignity. The National Congress of Australia's First Peoples is a critical body, as the peak body
representing Indigenous organisations and individuals, as the member for Blair said in his
contribution on this motion. It is an important body in doing that. The congress's strength
comes from the fact that it has direct membership, with 171 member organisations and close
to 6,000 individual members, growing week by week. Collectively, tens of thousands of
Aboriginal and Torres Strait Islander people now make up one of the largest Indigenous
networks ever created in Australia. It is a critical body.

In his contribution, the member for Leichhardt was critical of the fact that the congress
spent some of its resources contradicting and criticising the government of the day. There are
some countries where the government of the day seeks to close down dissent, seeks to shut off
voices that disagree with it, through totalitarian means or through more subtle means such as
withdrawing funding and support. Thankfully Australia has not traditionally been one of those countries. Labor recognises that it is important to have contrary voices in civil society. That is why, to support the work of the congress, we gave the National Congress of Australia’s First Peoples $29 million in establishment funding over four years and $15 million over three years in the 2013 budget. I disagree with the member for Leichhardt. I agree with him on many things—this is not a partisan point—but I disagree with him on his observation that the congress has not been providing either advice or service to, or on behalf of, government. They most certainly have. The member for Blair went through a great number of instances where they were doing this.

I want to focus on one area in particular: the importance of having an advocacy and an advisory body to government in the area of Indigenous health. If we are going to address the issue of disadvantage, then we have to address the disadvantage and the gap that exists between Indigenous and non-Indigenous people when it comes to life expectancy and health outcomes. With this in mind, we are very disappointed that there have been significant cuts to Aboriginal health programs in the recent budget across a raft of areas. The general cuts and changes will also fall heavily upon those Australians who have a significant problem. But the one that I want to point out is the cut to the antitobacco and the antismoking campaigns. The National Health and Hospitals Reform Commission identified tobacco smoking as the biggest cause of health disadvantage and differences between Indigenous and non-Indigenous Australians. If we address this, we will go a long way to addressing the gaps between Australians of different backgrounds. (Time expired)

Mr BROADBENT (McMillan) (11:16): This is one of the sadder moments in the parliament in my parliamentary career—I do not have many but this is one: to see a group of white blokes chatting about black issues all over again; our children in the room and listening across Australia to this debate; hearing this use of Indigenous issues to kick the government’s can. All that has happened is that we spend over $2 billion on Indigenous affairs in this country. We try to do it well. The efficiency dividend that is cast across the whole of government comes to more than the $500 million cut that you are talking about. What we have actually done, as was pointed out by the member for Leichhardt, is bring 150 programs down to five key areas so that there is reasonable understanding by the Indigenous communities where the government is headed.

The previous speaker talked about power and dignity. If that was the case, if it was all about power, dignity and advocacy—Jenny Macklin gave this group $29.4 million so that they would be apart from government and self-funding. They chose to be apart from government and self-funding on the interest of the $29 million. If it were about advocacy and about the work of the organisation, then why do they need another $15 million to do the work that the $29 million was given for, to do the work of advocacy. Why?

An honourable member: It does not make sense.

Mr BROADBENT: It does not make sense. So it is only a reasonable statement by a new government to question the former government and say: ‘We understand that $29 million. You have given the first peoples of Australia and their congress $29 million’—a lot of money—

An honourable member: Absolutely.
Mr BROADBENT: It is a lot of money for advocacy only. They do not deliver a program. It is for advocacy only, and in recognition. That being given, they come along and then say, 'Now we are going to give you $15 million to do—'

An honourable member: They have no idea what the organisation does—

Mr BROADBENT: I know exactly what the organisation does. I have read exactly the motion today. I understand the motion, exactly. And all you are doing is using your portfolio standing to kick the can on the government, when something like this should be reasonably approached. The whole nation has to look to how we spend our money. We do not set one group apart from anybody else, like Labor chooses to do.

Honourable members interjecting—

The DEPUTY SPEAKER (Mr Randall): Order! The member for McMillan has the call.

Mr BROADBENT: Let them go, Deputy Speaker, I am enjoying it. The more they talk about this issue, the more they show their colours in regard to this. Under Jenny Macklin—she set up this organisation and gave them excellent funding to do their job—there was a plan. The plan has been broken. All this government has done is recognise that, if you have been given an amount of money to do a job and to manage that, you claim independence. You take a step back in government. They can, if they need to, criticise the new government—I have no problem with that. If there is criticism to be had, we will have that criticism. But what I will not have is the shadow minister coming into this place and putting up a motion like this just because, 'I've found a cut, I'm going to run the cut, I'm going to play myself into this organisation, this could be my future.' Let me say this—

An honourable member interjecting—

Mr BROADBENT: And they can write that. Let me say this, and I want to say it with clarity. When the previous government gave this money, they gave it for a specific reason: so that this organisation could exist apart from government. That is in the charter. You know that is in the charter. Now they are separate from government, they can write pieces like that in the Indigenous paper. But for heaven's sake, give our government the opportunity to manage Indigenous affairs in a much better way than the previous government did.

Debate adjourned.

Australia and Japan

Mr SIMPKINS (Cowan) (11:21): I move:

That this House:

(1) notes the mutually beneficial and strengthening cooperation between Australia and Japan with particular emphasis on our:

(a) strong trade relationship;
(b) significant strategic partnership; and
(c) developing defence equipment and technology relationship;

(2) acknowledges the:

(a) Australian Government's success in concluding the Japan Australia Economic Partnership Agreement;
(b) scope to further enhance our relationship in areas such as investment and education;

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(c) Australian Government's plans to combat sovereign risk for foreign investment in Australia by repealing both the carbon and mining taxes;

(d) importance of elevating the bilateral security and defence relationship to a new level, based on our shared strategic interests in regional and international peace, stability and prosperity; and

(e) importance of the forthcoming visit to Australia of Prime Minister, His Excellency Mr Shinzo Abe, in further building our strategic partnership with Japan into a new special relationship; and

(3) commends the Australian Government for enhancing the relationship between Australia and Japan, which will be mutually beneficial for the economies and people of Australia and Japan.

Next month the Prime Minister of Japan, the Honourable Shinzo Abe, will visit Australia. That visit will take place at a time when the relationship, the partnership, is mature and at its closest. It is right that, at a time when the relationship is rising to its greatest levels, Prime Minister Abe addresses this parliament in a joint sitting. We all welcome him and look forward to hearing his views on regional and global issues. The relationship between our nations is strong on many levels. On one point, our trade relationship in 2013 amounted to $70.8 billion. Already it is a big number, and it will get bigger because of the economic partnership agreement. On 7 April this year, Prime Minister Abbott and Prime Minister Abe announced the conclusion of successful negotiations for an agreement that shows our shared commitment to open trade and will enhance two-way trade in investment. The good news that comes from this shared commitment is that, when fully implemented, 97 per cent of our exports to Japan will receive preferential treatment.

It is important for us to comprehend that, when we speak of trade with Japan, the Japanese market is not just confined to Japan itself. Japan, in an economic sense, is a huge international market consisting of Japanese business and investments operating not only in Japan but also throughout Asia via production and materiel networks. In many ways, this is an example of the global economy. We, too, are part of that economy. Japan's success has been achieved by the economic cooperation programs they have initiated throughout the developing world. Those who travel through Asia and the Pacific region can easily notice these programs. In Australia, Japanese businesses play an increasingly important role from an Australian base in manufacturing, agriculture, services and mining.

Beyond the trade relationship, our strategic partnership is very strong because of our shared values. We are democracies, we believe in the rule of law and we are committed to strong human rights. Already we achieved a base to build upon, when our bilateral cooperation was enshrined by the 2007 Japan-Australia Joint Declaration on Security Cooperation. It is also little wonder that, when the new Colombo Plan was being developed, Japan became part of the pilot scheme, assisting undergraduates to study and work in Japan. The personal links in the networks then become the building blocks of an even better relationship between our nations created by that plan. The strategic relationship has also been more recently defined through our cooperation with Japan in response to Typhoon Haiyan in the Philippines and, very recently, in the search for Malaysian Airlines flight MH370. These are examples of friends working together in a very practical sense to address common regional challenges.

Another example of our strategic partnership which is strong and getting stronger was the meeting of our foreign and defence ministers in Tokyo on 11 June 2014. I understand that this was the first such meeting. Given the challenges of territorial disputes in the seas of the region, it was a practical discussion to find ways to enhance our defence and security.
relationship. This helped to build on the Prime Minister's visit to Japan in April. I should also note that at that meeting in Tokyo, the Minister for Defence was able to announce that we had concluded negotiations on an agreement to share defence science technology and equipment. This is another great step forward to make our security relationship that much stronger and more effective.

Next month, this parliament should be able to unload the economy by getting rid of the carbon and mining taxes. The cessation of those taxes means that we will take those handbrakes off the economy. When investors from places like Japan look at Australia, they will no longer be negatively influenced by seeing those tariffs put on our industries. It will be better for foreign investment, the economy and the Australian people by way of jobs and opportunities.

The relationship between Japan and Australia is excellent. It is getting even better because of the economic partnership agreement, the New Colombo Plan, our security relationship, and our determination to offload the carbon and mining taxes. And all this is based upon our fundamental beliefs in democracy, the rule of law and human rights. It is an excellent relationship that will only get better and I very much look forward to our joint future between Japan and Australia.

The DEPUTY SPEAKER: Is the motion seconded?

Dr CHALMERS (Rankin) (11:26): I second the motion. I rise today to speak on the private member's motion on Australia's relationship with Japan, the context of which is the planned visit by Prime Minister Abe next month. The Japan-Australia relationship is absolutely crucial for our nation. Japan is our second-largest export market and our second-largest trading partner. It accounts for almost 17 per cent of our exports. It is worth almost $48 billion, comprised mostly of LNG, coal and beef. But Australia's relationship with Japan goes much deeper than trade, as important as that is. Our cultural ties are as close as with any other in the region. Given history over the middle of the last century, it is remarkable how strong our friendship has become based on democracy, human rights and the rule of law.

In the aftermath of the earthquake and tsunami in 2011, Australia provided extensive support to our Japanese friends. Former Prime Minister Julia Gillard was the first head of government to officially visit the region after the disaster. Among other things, she, on behalf of the government at the time, offered Japanese university students, academics and professionals from the most affected areas funding to spend time in Australia.

We want to see this friendship strengthened even further in trade as well, with the best possible economic partnership agreement with Japan. We come to these negotiations with an open mind, but the overview released in April of this year did leave us with some questions. So the opposition will reserve judgement about the merits of the agreement until full details have been released publicly. But this process will be made a bit more difficult due to the revelation at Senate estimates earlier this month that the government has not modelled the impacts of the proposed deal—in contrast with the precedents from the Korean FTA and from past trade negotiations.

The opposition would be keen to support a high-quality deal with Japan. We would be firmly in support of a deal that creates jobs and other benefits for Australian consumers, workers and businesses. But we need to be sure that the government, in a short time frame
since coming to office, has not sacrificed quality for speed in finalising this deal with Japan. Achieving real progress on deeper integration with Japan and other neighbours can be the key to developing a stronger and more resilient regional economy into the future.

The McKinsey Global Institute has done us a great service quantifying the benefits of international connectedness in their recent report on global flows in a digital age. Around the world, flows of goods, services and finance in 2012 reached $26 trillion or 36 per cent of global GDP—one and a half times larger than they were in 1990. Their report also determined the dollar value of the contribution of global flows to GDP growth, adding somewhere between $250 billion and $450 billion to global GDP each year or 15 per cent to 25 per cent of growth. This gives evidence to what we know intuitively; that trade liberalisation can create opportunities when it is done right.

There is one disappointing part of this motion and that is the member for Cowan's predictable partisan references to the minerals resources rent tax and the carbon price. It just goes to show that the members on that side of the chamber often cannot help themselves. Even on issues of great international importance like a trade relationship that has been supported by both parties for many years and advanced by my fantastic predecessor Dr Emerson, the member for Cowan cannot help but include some domestic political points scoring.

There is form in his party for this of course, with the Prime Minister regularly using the international stage to play domestic politics. What is particularly stupid about the member for Cowan's claims about sovereign risk in this motion is that they are founded on a fallacy. Before it was politicised in this way—and the member for Fraser will know this—sovereign risk referred to the likelihood of a government defaulting on bond payments. Given that under the last government Australia had stable AAA ratings from all three of the major credit ratings agencies, a feat never achieved under Peter Costello or any other Liberal Treasurer, it is clear that Australia's sovereign risk was and remains an insignificant factor for countries intending to invest here.

I sincerely hope that the members on that side of the chamber are able to maintain their dignity when we are honoured, absolutely honoured, with a visit from Prime Minister Abe next month. He will be the first Japanese leader, as the member mentioned, to address a joint sitting of the parliament and one of a very select few of international leaders to be given that privilege and that opportunity. I look forward to his visit. All members on this side of the chamber look forward to his visit and to Australia enjoying the benefits of the closer relationship, economic and cultural, in the years ahead.

Mr ALEXANDER (Bennelong) (11:31): I commend my colleague the member for Cowan for this motion on Australia-Japanese relations. As a good friend of Japan and as Chair of the East Asia Parliamentary Network, I give my full support to this private member's motion. Our nation's relations with Japan are a modern miracle. Over the space of just two generations we have gone from opponents in a major conflict to the very best of trusted friends. The level of cooperation between our two governments, between businesses, through trade, and between people through tourism and sporting connections continues to grow. As midsize powers, we have much in common. We are both democracies committed to the rule of law and human rights.
Japan is part of our pilot scheme for the New Colombo Plan. This scheme will see Australian undergraduates studying and working in Japan, giving them unique experiences and establishing valuable friendships and networks that will have an enduring impact on relations between our two countries. This is a true testament of the maturity, practicality and professionalism with which our diplomatic relations have been conducted. No-one is a better example than our Minister for Trade who has led negotiations for the signing of a free trade agreement between our two countries. Minister Robb deserves the plaudits from every member of this chamber for his efforts. Similarly, the 2+2 Foreign and Defence Ministers Meeting in Tokyo earlier this month was an unprecedented opportunity to discuss practical ways to enhance our defence and security relationships and augment bilateral cooperation established under the 2007 Joint Declaration on Security Cooperation.

Whilst in Tokyo, the defence minister announced the conclusion of negotiations on an agreement to share defence science technologies and equipment. This will deepen even further the strong security ties between our two nations. These great diplomatic achievements have built on outcomes from Prime Minister Abbott's visit to Japan earlier this year, and looks forward toward Prime Minister Abe's upcoming visit to Australia.

Next week I will be travelling to Japan on a personal visit. Whilst there I hope to meet with some members of the Japanese parliament and also to further my understanding about the Japanese high-speed rail system. The shinkansen celebrated its 50-year anniversary last year. Over this time this incredible rail infrastructure has not been responsible for one safety-related fatality. Japan has much they can teach us about the way that high-speed rail can open regional areas to development, thereby reducing levels of urban congestion. Japan Central Rail is currently trialling a maglev rail line, which uses magnetic levitation instead of traditional wheels on tracks. These trains can travel up to 550 kmh. I hope to meet with the Chairman of Japan Central Rail, Mr Kasai, next week to discuss their experiences and the opportunities for Australia to work cooperatively with Japan towards our own productive development.

As Chair of the East Asia Parliamentary Network and as a good friend to Ambassador Akimoto and Minister Imamura in the Japanese Embassy, I look forward to welcoming Prime Minister Abe to Australia next month. This visit will further enhance our important bilateral strategic and economic partnership, as well as our unique strong friendship.

I also look forward to welcoming back the Japanese table tennis team to compete in this year's Bennelong Cup competition in the Great Hall on 23 October. It is the highlight of our sporting calendar! The players and coaches were a real credit to the competition last year, competing with great heart and in the true spirit of the game. I hope this will become an enduring annual visit. Again, I applaud the member for Cowan for this timely motion, and also the members for Robertson and Canning, who are both longstanding and vocal advocates of Australia's strong relations with Japan. I commend this motion to the House.

Dr LEIGH (Fraser) (11:35): Australia was still a collection of British colonies when it first exported coal to Japan in 1865, before the Meiji restoration. In 1888, we were shipping Australian wool to Japan. The first Australian trade mission went to Japan in the 1930s. There must have been some consternation when our two countries signed a commerce agreement in 1957, so soon after the end of World War II. Today, Australia and Japan work closely together on security challenges such as counterterrorism in South-East Asia and the
proliferation of weapons of mass destruction, not least in the DPRK. It would probably be ironic to my grandfather's generation that the greatest Australian concern over Japan's security role in the region is its historical reluctance to assume a higher global and regional profile.

After the tsunami struck Japan, Australian Prime Minister Julia Gillard was the first national leader to visit the disaster affected region in April 2011. Australia sent a 76-member search and rescue team, donated $10 million to the Japanese Red Cross Society and deployed three C17 transport aircraft. Australian school children immediately began making paper cranes, not because the government told them to but because they felt it was the right thing to do. Soon the entry foyer of the Australian Embassy in Tokyo was filled with tens of thousands of paper cranes.

As Julia Gillard commented, Japan is also a friend, a country and a people for whom Australians today feel genuine affection and warmth. We have 100 sister city relationships and six sister state relationships. We admire the transformation of the Japanese economy from a wartime ruin with developing country status to a nation which is one of the world's largest economies with living standards higher than those of most nations on earth. That is an extraordinary economic achievement.

It was my pleasure to represent the government when I visited in 2013 to attend a major economic conference. There I met with politicians on both sides of the Japanese aisle, with business leaders and with the central bank governor Haruhiko Kuroda. I was impressed by the strategy of Abenomics, aiming to reinvigorate the Japanese economy back to the trajectory we so hoped it would follow in the 1980s, when airport bookshelves were filled with tomes about the virtues of the Japanese economic model. The first arrow of Abenomics is monetary policy, a two per cent inflation target. The second is fiscal policy, focused particularly on reconstruction efforts after the Tohoku earthquake and tsunami.

However, the most important arrow of Abenomics is structural reform. Productivity growth is what underpins growth in living standards. I commend Prime Minister Abe for his commitment to free trade. Naturally, the best way of pursuing free trade is through a multilateral trade deal. Compared to that, everything is second best. But Japan's commitment to a trans-Pacific partnership and to a free trade arrangement with Australia is welcome news, so long as those arrangements lead to greater trade flows. A study by the Productivity Commission's Dean Parham estimated that half of Australia's productivity growth in the 1990s was due to trade liberalisation, and Japan could potentially reap a similar reward. The Labor government's Australia in the Asian Century white paper noted that Japan is Australia's second-largest trading partner and our third-largest source of foreign direct investment. We provide Japan with minerals, agriculture and energy. They provide us with manufactured products and foreign investment. Our economies are remarkably complementary.

I am pleased to see the 1.5 per cent quarter-on-quarter growth in the first quarter of 2014. While we can expect some slowing of the Japanese economy as result of the consumption tax increase from five per cent to eight per cent in April, I trust the government's stimulus measures will partially offset that. Looking forward, Japan's overall population and workforce are forecast to contract, but the 2020 Olympics will hopefully act to boost consumer and business confidence in the years to come.

Mr RANDALL (Canning) (11:40): I am very pleased to speak on this motion today. Australia's relationship with Japan is one of the closest and most mature in our region. It is
built on a foundation of mutual respect and trust, closely aligned economics and strategic interests and a shared commitment to democracy, human rights and the rule of law. It is a relationship I care deeply about, both as chair of the Australia-Japan Parliamentary Friendship Group and as a local member from Western Australia who knows the importance Japan plays economically, stimulating jobs growth through trade and investment.

It is important for Australia to remember that a lot has changed in 69 years. Whilst we have to acknowledge the past, we must not let it rob us of the future—a future that Japan will play a key role in. We are seen by the Japanese as their second most important strategic partner in the East Asia Summit to achieve common goals and our troops have served side-by-side in Iraq, assisting in the development of the Al Muthanna province. Our new defence technology agreement with Japan is the natural evolution of our relationship and will see Australian and Japanese scientists work together on the design of our next submarine to ensure the Royal Australian Navy's next boats are the world's quietest and stealthiest.

Australia's strategic relationship does not just extend to defence and foreign affairs. Japan and Australia have demonstrated consistently the ability to work together to respond effectively to a number of civil and natural disasters. Two Japanese P3 Orion aircraft and 50 disaster response personnel were deployed to RAAF Base Pearce in WA to support the international search for MH370 after the aircraft went missing and the search zone was identified off the Western Australian coast. Australia supported Japan in the aftermath of the March 2011 tsunami and earthquake by sending a 72-person urban search and rescue team, a team of Defence operations-response officers, C17 aircraft for use in relief operations, and a donation of $10 million to the Australian Red Cross in Japan and the Pacific Disaster Appeal. This was followed by an outpour of support from the Australian community.

As I have previously stated, our relationship with Japan is not just limited to disaster relief and defence. Japan is Australia's second-largest export market, with Australia's stable political, business and investment environment making us a critical supplier to Japan of clean and safe food products, as well as minerals and energy. Japan is Australia's third-largest source of foreign investment, with an investment stock of $126.4 billion as at the end of 2012. Over $52 billion of Japan's total investment in Australia is in direct investment. Japanese direct investment has been essential in the development of many of the export industries that have driven Australia's growth, including large-scale projects to meet Japanese demand for resources such as iron ore, coal and motor vehicles. An example of this in my home state of WA was the investment by Japanese bank Mitsubishi UFJ Financial Group of $325 million into rare earth mining at Mount Weld, creating jobs at the mine and supporting local industry and suppliers. Further to this, on 7 April this year Prime Minister Tony Abbott announced the conclusion of negotiations on the Japan-Australia Economic Partnership Agreement. This agreement will provide valuable preferential access for Australia's exports, better than any of Japan's agreements with other partners. Australia and Japan are natural partners with highly complementary economies. The agreement will bring our economies and societies even closer and underpin a strong relationship for many years to come. A conservative estimate of the net benefit of the EPA to the Australian economy would be an increase of 0.66 per cent of GDP by 2020, while the net benefit to Japan would be an addition of 0.03 per cent of Japan's GDP. This amounts to a net gain in the present value terms over 20 years of $39 billion for Australia and $27 billion for Japan.
In conclusion, Australia and Japan have had a close relationship—one which has been developing over the last six decades. Our relationship with Japan is only getting stronger and I, for one, believe that it is a good thing. While Australia must always be a friend to all nations in our region, Japan will hold a special place as one of our key partners in developing an economy which is sustainable and working towards maintaining peace in our region. Before I commend this motion to the House, I would like to congratulate His Excellency Mr Yoshitaka Akimoto, Ambassador of Japan, his staff and the embassy for their proactivity in Australia. It has been a magnificent job and the way they connect with our parliament is something to be congratulated. I would also like to thank the Consul-General in Perth, Mr Funayama, his wife and staff for the hospitality they gave to the Minister for Defence and me last Friday night—this shows our relationship right across Australia is one that is continually growing.

I commend this motion to the House and look forward to working with the Japanese in the future to build a stronger and better future for both countries.

Mr GRIFFIN (Bruce) (11:46): I also rise to speak in support, for the most part, of the motion moved by the member for Cowan. I join in expressing the importance of the strong relationship between Australia and Japan on a number of different levels, including trade and investment. I also commend successive governments for the work they have done in building the Japan Australia Economic Partnership Agreement.

There have been three major phases in the development of the post-war Australia-Japan relationship. These are: the establishment of a major trading relationship with Japan shortly after World War II, formalised by the 1957 Japan-Australia Agreement on Commerce; a process of broadening the relationship, particularly at the cultural level, reflected in the 1976 Basic Treaty of Friendship and Co-operation between Australia and Japan, also known as the NARA treaty; and over the last decade, the emergence of a more fully-rounded and diverse partnership, including important political and security objectives, highlighted by the 2007 Joint Declaration on Security Cooperation and the conclusion of negotiations on the Japan Australia Economic Partnership Agreement.

Australia and Japan have a strong partnership and work together closely to tackle both regional and global issues of concern. The 2007 Joint Declaration on Security Cooperation serves as a platform for cooperation on a number of security issues between Australia and Japan, such as counterterrorism, law enforcement, disarmament and maritime and aviation security. At a summit held in April, Prime Minister Tony Abbott and his Japanese counterpart decided to start negotiations towards a framework of agreement in the field of defence science, technology and equipment cooperation, as well as a cyber-policy dialogue to discuss cyber threats. Although Japanese whaling has been a very contentious issue, both Australia and Japan have an agreement not to let it get in the way of our nations' strong partnership. The strong trade relationship between the two nations has been beneficial. Having Japan as a strong and reliable customer of Australian produce has helped build the Australian economy, following the agreement in 1957.

Japan was Australia's second-largest trading partner in 2012-13. Japan is Australia's second-largest export market and will remain so for the foreseeable future. Two-way goods and services trade between Australia and Japan was valued at $69.2 billion. Goods exports to Japan in 2012-13 represented approximately 18.8 per cent of Australia's total exports.
bilateral trade and services in 2012-13 was valued at about $4.4 billion. Japan is Australia's third-largest investor with an investment stock of $126.4 billion as at the end of 2012. Over 40 per cent, about $52 billion of Japan's total investment in Australia is direct investment. Japanese direct investment has been essential in the development of many of the export industries that have driven Australia's growth, including large-scale projects to meet Japanese demand for resources, such as in iron ore and in coal. Australian companies and individuals also target Japanese businesses for investment and Japan is Australia's sixth-largest destination for foreign investment. At the end of 2012, Australia's stock of investment in Japan was about $39 billion.

On 7 April 2014, Prime Minister Tony Abbott announced the conclusion of negotiations on the Japan Australia Economic Partnership Agreement that had been in the making by efforts from successive Australian governments. The agreement will provide valuable preferential access for Australian exports, better than any of Japan's agreements with other partners. Australian and Japan commenced negotiating a bilateral economic partnership agreement in April 2007.

According to the Department of Foreign Affairs and Trade, the EPA will address tariff and non-tariff barriers facing Australian companies; create commercial opportunities across all industries; expand export opportunities in Japan's agricultural markets; promote investment; promote our mineral and energy relationship; address any discrimination resulting from Japan's EPAs with other countries; and provide a fundamental commercial framework for increased trade and investment.

A conservative estimate of a net benefit of the EPA to the Australian economy would be an increase of 0.66 per cent of GDP by 2020. The joint study equated these amounts to a net gain in present value terms over 20 years of $39 billion for Australia and some $27 billion for Japan.

I note that earlier speakers made mention of the visit of Prime Minister Abe in the near future. This will be an opportunity for both nations to continue the dialogue and continue to develop the relationship between our two nations, which has been such a profitable and successful one for both our nations in the post war period.

Debate adjourned.

**BILLS**

**Australian Education Amendment (School Funding Guarantee) Bill 2014**

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (11:51): This bill amends the Australian Education Act 2013 to require that the minister be satisfied that a state or territory will not reduce or has not reduced its education budget before making a determination of Commonwealth school funding to that state or territory. In simple terms, what this means is: the states and territories cannot take funding out the back door as the Commonwealth increases funding in the front door.
Before the election, Tony Abbott promised a unity ticket with Labor on schools funding, but we see now another broken promise. What we see here is legislation designed to ensure that states are not decreasing education funding. Before the election, the Labor government did a lot of work to come up with a fair funding model for Australian schools. Along with that fair funding model for Australian schools, we made a commitment to substantial extra investment in schools, $14.65 billion over six years. That $14.65 billion included Commonwealth funding, and it also included state funding. For every $2 that we were putting in, we expected the states to put in an extra $1.

Before the election, first of all we had Christopher Pyne—the opposition spokesperson at the time—saying: ‘Absolutely not. Over my dead body. No Gonski. No way are we supporting this funding model’.

What became apparent as the election campaign progressed was how terribly unpopular that position was. Australian parents of both public and private school kids understand that the quality of our education system depends on every child in every community in every family in every school having an opportunity to get the best possible education.

Parents want their kids to get the very best education but they know that, for the cohesion of our society and the strength of our economy, all kids need to get a decent education. So there is very strong support for the Gonski school education funding reforms. The coalition was dragged kicking and screaming to say that they were on a unity ticket with Labor. But then what happens afterwards?

Under this government, Commonwealth funding drops to just $2.8 billion over four years—instead of the $14.65 billion combined Commonwealth state funding over six years I mentioned earlier—and the states do not need to put in a single extra dollar. In fact they can cut funding from their own education budgets and still get the small amount of extra Commonwealth funding in comparison to what was previously on offer.

The reason that we went into the complexity of our school education funding system is: every child in Australia deserves a decent education. But, just as importantly, our national prosperity depends on every Australian child getting a top quality education. So it was not just $14.65 billion of extra funding for our schools that was important; it was also better quality teaching; higher standards; better training, support and development for teachers; better student outcomes, focusing on more individual attention for every student; more flexibility for principals, engaging with parents in the community. I am a particularly strong supporter for more flexibility for principals. I think principals know their school communities and what their kids need in their schools, and they are dedicated to achieving that.

I am a big supporter of more flexibility for principals; a needs based funding system where every child in every school gets a good education; and transparency and accountability. Transparency and accountability were controversial measures. We were criticised, including by some teachers, for the demand we instituted for greater transparency and accountability for national testing like NAPLAN and for the transparency of the MySchool website, but I make no apology for those measures either. We saw on the weekend a list of most-improved schools that included some very surprising names. We only know that because we have NAPLAN and the school transparency measures.

In the end, I have to say that this bill should not be necessary. It should not be necessary to have to hold the states to accounts, but we have seen terrible cuts at state and territory levels,
teachers sacked and schools closed and sold off. If the Liberals were truly on a unity ticket with Labor on funding, this bill would not be necessary. It is necessary because, instead of $14.65 billion, we get about one-third of that under this government.

Mrs PRENITCE (Ryan) (11:56): I rise today to speak on this private member's bill—a bill which is based on false assumptions and scaremongering from an opposition that has not quite come to terms with the total chaos that was their previous government. What cuts? Do those opposite mean their own $1.2 billion worth of cuts that they made to education before the 2013 election to hide some of their black hole of debt—the very same $1.2 billion that the coalition then reinvested in education after Labor took it away? What cuts?

Those opposite are in denial. They refuse to accept that, because of the debt of $123 thousand million they created, we simply cannot afford the blue-sky promises Labor made but never wrote down in any budget papers. Those opposite still believe in their alternate universe filled with their delusions of false accomplishments.

The previous Gillard-Rudd governments took the 'deal at any cost' approach to education in order to desperately cling on to power instead of acting in the best interests of students. The school funding model Labor promised to some states was by no means equal, let alone realistic. Queensland, Western Australia and the Northern Territory had not reached funding agreements with the Rudd-Gillard government, so Labor impatiently then ripped $1.2 thousand million out of the total funding package. However, this $1.2 billion was then reinvested by the coalition government in the December MYEFO. As these jurisdictions had not reached any agreement with the previous government, the funding they are getting under the coalition government is much better than what they would have received otherwise.

If you look at the projected expenditure of Labor's education funding, it is hard to tell if it is simply an economic joke or a malicious time bomb planted by reckless politicians who knew they would never have to face reality and pay up. Quite simply, a vast majority of the so-called 'promised funding' comes well after the forward estimates, so Labor never had to write it into a budget paper. Yes, they may have written it on pretty fliers with grandiose slogans like 'The Education Revolution' or 'Gillard Youth' along with their infamous 'We Have Delivered a Surplus' brochures; but, quite simply, the funding behind these promises was about as genuine as the former member for Griffith's selfies. What does surprise me, however, is that, for all the boasting those opposite do about how they are the party of education, not once did they stop to think about how best to spend the Commonwealth's education funds, how to actually take action against the steadily falling national school scores.

I would like to point out that in this federation that is Australia school education is a responsibility of the state governments, and the federal government, which really has no responsibility over schools, contributes approximately 15 per cent of the total schooling budget for states and territories. Fifteen per cent, not 50. The way those opposite are talking, you would think that the federal government was the sole funder of states' schools.

Additionally, it may come as a shock, but for the last two decades Commonwealth spending on schools has been increasing. Yet still results have dropped. If you look at a graph from the Productivity Commission's Report on government services 2014, it shows that as funding has increased the Program for International Student Assessment scores have decreased in both literacy and numeracy. This is because governments should not just be recklessly throwing money at our education system and hoping for the best, as the previous
Labor government did. Instead, as the coalition government is doing through our Students First plan, we should be focusing on the four key areas that evidence shows will make a real difference to students. Those key areas are teacher quality, school autonomy, engaging parents and strengthening the curriculum.

In summary, we have a coalition government which is committing $1.2 billion more to schools than Labor. We have a coalition government which is being honest with states, territories, school students and their parents, showing that funding will continue to increase beyond the forward estimates while still being open to negotiations with the states. The coalition government, instead of just throwing money at a problem and hoping it will go away, is putting students first and investing in teacher quality for a stronger education system and a brighter future for all students. This bill is as much a circus act as the previous government.

Ms OWENS (Parramatta) (12:01): If you want to see the difference between the two major parties writ large, look at education. Look at high school retention rates, for example. During the 12 years of the Hawke-Keating government they rose from around 40 per cent to close to 80 per cent. Then in the next 12 years, under the Howard government, they essentially stagnated. For 12 years children started school and finished school in 12 years. In the biggest global boom in modern memory, at a time when you really could make a difference, they did not. Retention rates stagnated.

We were elected in 2007 and once again began the hard process of increasing retention rates through the Gonski reform, trade training in schools and a number of other reforms. But now the conservatives are back and it is back to the bad old days. We once again have a government with a laissez faire attitude to education, which simply will not do the hard work when it comes to educating our children.

You can tell by the contempt they showed for parents and schools in the lead-up to the election, the deliberate deception in the statements they made that there was a unity ticket on education, that there was not a sliver of light between the two parties. They said that, whatever your school would get under Labor, it would get the same under the Liberals. This was all deliberate deception, done because they knew parents cared about the education of their children. It was done in order to get elected and it is a demonstration of absolute contempt for Australian families. You can tell that by the reality of their approach, the total lack of concern about how federal education dollars are spent or not spent once they leave the federal coffers and go to the states.

The Australian Education Amendment (School Funding Guarantee) Bill 2014 addresses a peculiarity of our state-federal system and one that was addressed in Labor's Gonski agreements with the states— the practice of federal governments giving money to the states and the states saying, 'Thank you very much,' and taking money out of the same area. The federal government puts money into the bucket for education and state governments punch holes in the bottom and siphon money out for other purposes.

That is why when Labor negotiated the Gonski agreements we made extra federal funding conditional on states putting in more money as well. Gonski was about lifting every boat, creating greater transparency in funding between state and federal governments, removing the potential for the blame game, increasing contributions from both levels of government and
creating certainty for schools and certainty for states in planning appropriate resources, including teacher numbers and infrastructure.

Now this Abbott government has ripped away all that certainty by removing the obligation of state governments to increase their funding or even to not decrease it. We have already seen the results. We have seen cuts to education budgets in Western Australia and the Northern Territory. In the Northern Territory, there have been $47 million worth of cuts and 130 teachers gone. In Western Australia, already there have been $183 million worth of cuts, with 700 educational professionals gone.

This bill attempts to reinstate the certainty for parents, schools and state governments. It requires the minister to be satisfied that a state or territory will not reduce or has not reduced its education budget before federal school funding is provided to states and territories. This is a no-brainer. Without this safeguard, the federal government simply does not have the power to influence the quality of education.

Labor created the Gonski reforms, for school funding based on need, and we have drafted this bill in the wake of the Liberals' broken promises. Before the election, they said they were on a unity ticket with Labor, that no school would be worse off under their proposals. After the election we saw this Liberal government failing to keep its promises to students, to parents, to teachers and to school communities.

It has been encouraging to see in recent weeks that some states still recognise the Gonski agreement, that it delivered the best opportunity for their children, and we have seen the New South Wales, Victorian, South Australian and ACT governments honour their funding commitments for the fifth year of the Gonski agreement in their budgets. These states have called on Tony Abbott to honour his pre-election promise not to cut education funding. They have called on Tony Abbott to keep his word, and so do we. Passing this bill will go part of the way to meeting those promises.

Debate adjourned.

PRIVATE MEMBERS' BUSINESS
Anzac Centenary Local Grants Program

Ms O'DWYER (Higgins) (12:05): I move:

That this House notes:

(1) that the spirit of ANZAC is one of special significance to all Australians as it showcases the attributes of courage, mateship and sacrifice which were demonstrated at the Gallipoli landing;

(2) that the ANZACs helped define us as a people and as a nation, they were ordinary Australians who performed extraordinary deeds and were drawn from the smallest towns and biggest cities;

(3) that the Government is enabling Australians to honour the service and sacrifice that epitomises the ANZAC spirit by increasing the funding allocated to each federal electorate across Australia to $125,000 via the ANZAC Centenary Local Grants Program; and

(4) the Government's commitment to community-based commemoration, as promised at the last election.

I rise today to move this motion of national significance. The spirit of Anzac is one that defines our nation. It exemplifies all that is great about Australia: courage, bravery, mateship,
determination and sacrifice. This year is especially significant, as it represents the 100th anniversary of the landing at Gallipoli.

Gallipoli is a moment in our history that we memorialise and commemorate for its magnitude and the impact it has had on our nation. The Australian troops at that time showed their heroism when they stormed the beaches, against all odds. Tragically, our nation lost 8,709 young men on the beaches of Gallipoli between the first landing on 25 April 1915 until the battle's end on 8 January 2016. We must also pay tribute to the 2,701 New Zealanders who also perished. It is moments like this that have brought our nations together.

Having only recently taken part in the Anzac Day ceremonies, it is clear the importance that this historic moment plays in the Australian psyche. Anzac Day is a day on which every Australian reflects on the First World War and its impact, both on the lives of so many Australians and their families and on our nation's identity. To mark the occasion of the 100th anniversary, the government is implementing the Anzac Centenary Local Grants Program.

The grants will go towards the holding of commemorative ceremonies and the preservation of the historic and socially valuable monuments and artefacts that relate to this period. The government supports the Centenary of Anzac commemorations and gives this grants program due recognition of the extraordinary world events, where so many lives were lost and destinies irrevocably altered in the defence of freedom. The grants program will also facilitate a reflection by this generation and ensure that the magnitude of that sacrifice will continue to be acknowledged by future generations.

Under the program each electorate receives up to $125,000 as part of the grants process, and applications have come from local RSLs, schools, nursing homes, community organisations and individuals, to name just a few. In my electorate of Higgins, a Centenary of Anzac grants committee was established to review and recommend the applications. I would like to show my gratitude and appreciation to those on the committee who worked so incredibly hard: Chairman Lt Col. (Retd) David Blackwell, Rev. Bradley Billings, Adrianne Fleming, Garry Thompson, Sharon Werka and Robert Millis. Each of them brought their expertise and each of them gave generously of their time to this most worthy cause.

The committee's work has been vital in seeking the community views on how best to commemorate the centenary and assist me in reviewing all applications for funding prior to their submission to the Department of Veterans' Affairs. To date, there have been 33 applications for grants in Higgins. They range from memorial stones, plaque restoration, commemorative services and digital archiving.

I am pleased to announce that submissions from Villa Maria, St John's Anglican Church, Toorak RSL have all been approved by the department, with submissions from Armadale Primary School, Melbourne High School, South Yarra Primary, St George's Anglican Church, St Kevins Boys School, Ashburton Primary School, De La Salle College, Glen Huntly Primary School, Malvern Valley Primary School, Murrumbeena Primary School, Oakley Grammar, St Michael's School, King David School, Solway Primary School, St Cecilia's Primary School, East Malvern RSL, Prahran RSL, Stonnington City Council and Yarra Trams still pending approval.

There is no doubt that the centenary of Anzac 2014 to 2018 will be one of the most significant national periods of commemoration in Australia's history. It is therefore vital that
we work together as a community to ensure we pay appropriate tribute to the thousands who answered the call to serve Australia during the First World War and the many who gave their lives in defence of our liberty.

In Higgins we will be taking part in a very special commemoration ceremony. My committee has organised a special commemoration march, a special map has been drawn up of all of the sites of significance in my electorate, and there will also be a service held by all of the churches and the synagogues in my electorate to commemorate this occasion. I would like to thank the minister and the government for their foresight in putting together this special program. It is something that all Australians will be able to recognise together.

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

Mr Nikolic: I second the motion and reserve my right to speak. As a Tasmanian, I congratulate you on your appointment to the Speaker's panel.

The DEPUTY SPEAKER: Thank you very much.

Ms OWENS (Parramatta) (12:11): Over the next 18 months or so, we will be commemorating the 100th anniversary of Anzac Day. In a community like mine, where some 60 per cent of people were born overseas, it is worth reflecting on the fact that there are probably relatively few people in my community whose families were not touched by the horrific war known as World War I. There are probably some whose ancestors fought with Australians and New Zealanders at Gallipoli.

At the time of World War I, around 25 per cent of Australians were born overseas. An estimated 30 per cent of ANZAC soldiers were drawn from that population. Unsurprisingly, most of those were British born, as enlistment in the Australian Imperial Force was at first confined to those of European descent. The rules were relaxed as the war went on and people enlisted from countries as varied as the Philippines and Malaysia to Germany and France, as well as our own Indigenous Australians.

While it is unknown how many Australian soldiers were of Chinese background, two were very well known at the time. One was Billy Sing, whose father migrated to Australia from Shanghai. He ended up being the most outstanding sniper on Gallipoli before going on to the Western Front. Another Chinese-Australian was Caleb Shang, known as Charlie, a message runner and a very brave signaller and sniper on the Western Front. He served in a number of battles and became the most highly decorated Chinese soldier that we have any record of and, in fact, one of the most highly decorated Australian soldiers, being awarded the distinguished conduct medal not once but twice.

Greeks also played a large role in World War I on behalf of Australia, although again their contribution is not as well known, as most Greek-Australian stories arise from the post-World War II migration. But 57 ANZACs across the whole war were born in Greece, and eight of those fought at Gallipoli. The most well known is Georgios Papas, from Queensland, who received a distinguished conduct medal for gallantry, awarded because he was wounded while retrieving other wounded under heavy gunfire.

For people in my community of Vietnamese descent, their relatives may well have fought alongside Australians at Salonika in Greece. My Senegalese and African families may have ancestors who fought with the French forces at Gallipoli, who fought alongside ANZACS. Then, of course, there were the Maltese—six immigrants from Malta and one second
generation Australian-Maltese from Melbourne. Four were killed in action in France, two in Belgium and one at Gallipoli, and their remains are buried there. Another 30 Maltese-Australians were engaged in combat in Gallipoli and they survived and returned to Australia as ANZAC survivors.

Of course, the spirit of Anzac Day has a deep Sikh connection. Being subjects of the Crown under British rule in India, Sikhs and other Indians had no choice but to participate in World War I because they were recruits in the British Army. A million Indian troops fought in the First World War. Of them, 700,000 were pitted against the Ottoman Empire. In Gallipoli, they formed part of the New Zealand and Australian Division. Of 5,010 Indians who served in Anzac, 1,926 died and 3,863 were wounded, some more than once. The number of dead, although horrific, paled in comparison to the number that died in France and Belgium. The 371 Sikhs who died fighting at Gallipoli on 3 and 4 June 1915 were from the battalion of the 14th Sikh Regiment. The troop's commander, General Sir Ian Hamilton, wrote:

In spite of the tremendous losses there was not a sign of wavering all day. Not an inch of ground was given up and not a single straggler came back.

The ends of the enemy's trenches were found to be blocked with the bodies of Sikhs and … the glacis slope was thickly dotted with the bodies of these fine soldiers all lying on their faces as they fell in their steady advance on the enemy.

The Indian Army was represented on Gallipoli by the 7th Indian Mountain Artillery Brigade, the Indian Mule Corps, a medical establishment and the 29th Indian Infantry Brigade. The artillery brigade arrived at Ari Burnu with ANZAC troops and was there from the first day until the final evacuation. It consisted of the 21st Kohat and the 26th Jacobs Mountain Battery, manned by Sikh and Punjabi Muslim gunners, a complete brigade, which served with a day's relief and prided itself on being the first in and last out among the artillery units on Gallipoli. Fourteen Indian soldiers earned the Victoria Cross. The number of Indigenous soldiers who fought at Gallipoli is largely unknown because they were recruited not under the Indigenous badge. In fact, they could not enlist as members of the Indigenous community, but they were there in numbers and should also be remembered.

Mr NIKOLIC (Bass) (12:16): It gives me much pleasure to support the motion moved by the member for Higgins. I do so with an element of reminiscence because a generation ago some social pundits were reasonably predicting the end of the Anzac Day era. By the end of the 20th century, the 1915 Gallipoli campaign and, indeed, the wider Great War had continued to cast an influential shadow across the Australian social landscape. Predictions of declining interest became louder when the final Australian survivor of the Gallipoli campaign, Alec Campbell, passed away in May 2002. Yet, Australia has not seen the end of Anzac commemoration. In fact, quite the opposite is true. More and more Australians enthusiastically join the growing crowds, replete with every multicultural flavour, heritage and cultural taking part in solemn and respectful services every chilly April.

Last Anzac Day in northern Tasmania I joined a big gathering of veterans, families and supporters at the Georgetown dawn service and then at the mid-morning march and ceremony in Launceston. In Launceston, crowds line the streets two and three deep on both sides of the route as veterans young and old moved between them. Far from declining, the expression 'Anzac' and that for which it stands has been nationally embraced and even revitalised.
Despite the fact that Australians are busier now than ever before, I doubt that this vital interest will change in the future. By why has the Anzac legend wrong-footed the pundits? Australians are a hard bunch to label or characterise but above all they are a pragmatic, perceptive, generous and gracious people. They are pragmatic enough to recognise the unfortunate need to fight some wars, perceptive enough to understand the futility and wastefulness of most wars but equally generous and gracious to recognise and honour the sacrifice of those who participate in them and who do not come back or, if they do, are changed by the experience. Most importantly, Australians recognise that such sacrifice is made voluntarily in their name and Australians consciously choose to keep and remain faithful to this recognition. Like the US Marine Corps, they are semper fidelis, always faithful, every loyal. Though they may not say it publicly, the pithy expression 'Lest we forget' has been embraced by Australians as few nations on earth and they continue to demonstrate that they have not forgotten, through their actions by publicly and respectfully commemorating the fallen every year.

It is fitting, too, that Gallipoli and Anzac have come to be the collective catch-all expressions under which Australia's multiple wars, conflicts, police actions, peacekeeping and peacemaking missions have been warmly acknowledged by a grateful nation. This phenomenon recognises that Gallipoli was just the start of 100 years of Anzac sacrifice.

That said, a small minority in our community engage in unfortunate revisionist history. Earlier this year, I wrote an article in response to our national broadcaster, the ABC, giving prominence to those who claim that the story of Gallipoli is 'a myth blown out of all proportion'. A story aired on the ABC on 27 January this year containing commentary from a small group that asserts we should focus on the misogyny, racism, discrimination and exploitation at Gallipoli. Instead of honouring more than a century of service and sacrifice by almost one million men and women in uniform, the ABC on that occasion honoured instead the opinions of those who trawl through the history of 1915 Cairo brothels. The wearing of black armbands started in ancient Egypt, but there are clearly those in the ABC still wearing them, intent on nudging the historical pendulum from pride to guilt.

Australia has a new and younger community of veterans, some 72,000 of them during the last decade—and my daughter amongst them. The fact that many of them have been harmed physically or psychologically by recent war makes the lead-up to the Gallipoli centenary next year even more poignant and relevant. With this in mind, I applaud the Anzac Centenary Local Grants program, which will ensure some wonderful commemorative events in my electorate of Bass and across our nation. I again commend the member for Higgins for her motion which maintains this most worthy Australian commemorative tradition and practice. Lest we forget.

Ms RYAN (Lalor—Opposition Whip) (12:21): I rise today to note the bipartisan support for the centennial Anzac commemoration announced by the honourable Julia Gillard on the centenary of Anzac 24 April 2012. The Australian government's Anzac Centenary Local Grants program is assisting and encouraging communities across Australia to undertake their own Anzac Centenary projects that commemorate the service and sacrifice of Australian servicemen and service-women in the First World War.

I want to take a moment to thank the independent panel members in Lalor who have assessed and made recommendations on 10 projects from the community: the honourable Tim
Pallas, state member for Tarneit; Ms Margaret Campbell, a respected local historian and author; and Ms Judith Gilbert, a longtime history teacher and now secretary of the B24 Liberator restoration in Werribee. Only one has at this time received approval and it is creating much excitement. This was promptly submitted by the Little River Historical Society on the day the applications opened. It is for a World War I nurse memorial for Sister Catherine Kit McNaughton and Sister Sarah Sadie McIntosh. They were cousins, both born and raised in Little River. The memorial is to honour the role and the contribution made by local serving women during the Great War. It will be unveiled to coincide with the centenary of the departure of Sister McNaughton from Station Pier in Port Melbourne to her wartime duties on 17 July 1915.

Kit McNaughton's story will also be shared with the broader Australian public this year through Screen Australia's miniseries *The Other Anzacs*, launched at Parliament House last week, and the ABC documentary series, *The War That Made Us*, which will be launched at Parliament House tomorrow evening. On behalf of my community, I would like to thank Dr Janet Butler for her curiosity about the nurses from our region and her pursuit of family history for her research. Through that research, she found the diaries kept by Kit during her war service and wrote *Kitty's War: The Remarkable Wartime Experiences of Kit McNaughton*, published in 2013. Janet was awarded the New South Wales Premier's History Award for 2013 for this work.

I and many from my community attended the launch of Janet's book in 2013 at the shrine in Melbourne. This event brought together people from all over Australia, many of whom were descendants of nurses and servicemen who knew Kit from the war. Janet's research took her all over the country, talking to families about their mothers, grandmothers, aunts and great-aunts. From the diaries of Kit McNaughton, Janet traced many of the nurses who served with her and heard their stories. Through letters and diaries and stories, Janet was able to trace not just their service but their relationships and their lives after the war. Janet's work has informed the ABC documentary to be launched as part of a series tomorrow night. I also acknowledge the work of Clare Wright, our most recent recipient of the Stella Award, for her work on the documentary.

It is important to note the belated acknowledgment of the nurses of the Great War by our country. Kit McNaughton's service was mentioned in dispatches by Winston Churchill. After the war, she was awarded the Royal Red Cross First Class, a British award presented by the then Prince of Wales—who became King Edward VII—on his visit to Australia in 1920.

However, she did not receive an Australia award. In fact, she had to fight for a part-veterans pension in the later years of her life when the trials of her service tolled heavily on her health. Sadie, who never married, had to apply to the Edith Cavell fund for financial assistance in 1950. Therefore, I think it is fitting that modern Australia now looks back and acknowledges the sacrifices made by our serving nurses, the way their service changed the way they saw themselves and others and, in time, the way Australia saw itself. I look forward to Kit and Sadie having a permanent memorial in the town they grew up in, and in the region they returned to, where Kit married and raised her family. I would also note that Kit McNaughton is my grandmother.

**Mrs PRENTICE** (Ryan) (12:25): I commend the member for Higgins for bringing this motion forward. I appreciate the opportunity to speak in support of it. Anzac Day is very
important to my family in so many ways. I am the mother of a serving soldier in the Australian Army; the daughter of a fighter pilot from World War II and subsequently a prisoner of war; and the great granddaughter of Sir George Pearce, Australia’s longest serving defence minister. It was also TJ Ryan, Premier of Queensland and chairman of the first Anzac Day Commemoration Committee of Queensland after whom my seat of Ryan was named. Also of interest is that Canon David Garland, ‘the architect of Anzac Day’ as he is known, is buried in the Toowong Cemetery along with 300 soldiers from the First World War. Anzac Day has been observed each year since the memorable landing on Gallipoli on 25 April 1915.

In no way does the commemoration of Anzac Day glorify war. Rather, it recognises the sacrifice that our servicemen and servicewomen have made. It is in this tradition that, as we stand for a minute's silence each year, we remember that we are standing in the presence of the dead and their living friends and relatives. It is an occasion for humility and reverence, for silence and thought. Sir George Pearce, as Acting Prime Minister, formally decreed Anzac Day. In his recent book, Anzac and Empire, John Connor, one of Australia’s leading military historians, details that ‘Pearce was almost single-handedly responsible for creating the key institutions of Australia's modern defence organisation: the Royal Australian Navy, the Royal Military College, Duntroon and the Royal Australian Air Force.' Connor goes on to say that 'to understand Australia in the Great War, you must understand the man behind it.'

To say that our fighting men were drawn from the smallest towns and biggest cities is evidenced by the following statistics. From 1914 to 1918, Australia was a country of a mere four million people. Yet, 416,000 enlisted for service, representing 38.7 per cent of the total male population aged between 18 and 44. Of those, 57,705 were Queenslanders. By the end of the war, nearly 59,000 of our men were dead, 166,811 wounded and 4,000 were missing or prisoners of war. At almost 65 per cent, the Australian casualty rate was the highest of the war. Of the 63 Victoria Crosses that were awarded, five were from Queensland. The ANZACs helped to define us as a people and as a nation. They were ordinary Australians who performed extraordinary deeds and who were drawn from the smallest towns and the biggest cities.

Recently I attended the opening of the Kenmore-Moggill RSL sub-branch where I had the opportunity to discuss with Kenmore State High School's deputy principal, Mr Andrew Blight, the research project being undertaken by the school, in conjunction with the RSL. Students are tasked with researching a local soldier killed in action during the First World War. This creates the opportunity for the next generation to understand and remember those who made the ultimate sacrifice so that we may live in freedom. Students are uncovering the stories of our local heroes as part of the broader community's centenary commemoration of Anzac. St Joseph's school at Bardon has also undertaken a similar project with their grade 7 students. It was an honour to join them last week at the Australian War Memorial.

In my electorate of Ryan, we have taken advantage of the coalition's commitment of a further $25,000 to the Anzac Centenary Local Grants Program, totalling $125,000. My electorate community committee recently approved a list of very high quality projects, which will see our community understanding, respect and commemoration grow for the spirit of the ANZACs and for those who paid the ultimate price for our freedom.
Pending ministerial approval, I look forward to seeing the positive outcome of these grants and the benefit that the projects will have on the wider community and on the broader centenary of Anzac commemorations.

I wish to close by paraphrasing the sermon of the secretary of the original Anzac committee at St John’s Cathedral, marking Anzac Day 1924. Quoting from John 15:13, he said:

Greater love hath no man than this, that a man lay down his life for his friends.

Canon Garland went on to say that there was no room for anything other than a solemn observance of Anzac Day and to expand on his often expressed belief that Anzac Day was the All Souls Day of Australia and that it was therefore inappropriate to wear vestments or play joyous music of triumph but rather be penitent and filled with sorry for a world which caused the sacrifice of bright young lives, our dearest and our best. Lest we forget.

Ms HALL (Shortland—Opposition Whip) (12:30): It gives me great pleasure to rise to speak on the motion moved by the member for Higgins—a motion that acknowledges the spirit of Anzac and how Anzac has helped define us as a people and as a nation. The landing at Gallipoli—when Australia had barely been a nation for 14 years; a nation in its infancy; a nation which still saw itself as a British colony—by Australian soldiers on that rugged peninsula was really the birth of Australia as a nation. The Gallipoli campaign was a major campaign. Australian and New Zealand troops fought under their own flags for the first time and under their own commanders. They were fighting as Australians for Australia. It is because of that that Anzac Day and that landing at Gallipoli is so special. We can only imagine the despair and marvel at the determination of spirit of those brave men who refused to take a backward step against almost impossible odds.

This is a very appropriate motion that we have before us today. I would like to take the opportunity to thank the Shortland electorate Anzac committee and acknowledge the people involved in the committee: Allan Bargwanna, the chair of this committee; the Mayor of Lake Macquarie, Jodie Harrison; Councillor Chad Griffith from Lake Macquarie Council; Councillor Doug Vincent from Wyong Shire Council; the principal of Belmont High School, Geoff Robinson; Peter Stephenson OAM, the RSL state councillor for the Newcastle and Northern Region; Warren Welham, the deputy principal of North Lakes High; Darren McManus-Smith, RSL state councillor for the Central Coast and metropolitan area; and my dear friend Colonel Jim Hodgson, retired, who is 90 years of age and who has made an enormous contribution to the considerations of the committee.

I was pleased when the government increased the Anzac commemorative local grants by $25,000 to $125,000 but I was extremely pleased when the Labor government put in place this program. It is a good initiative and one that will ensure that the memory of Anzac continues on in the history of our nation—although I think that that would happen regardless. In the Shortland electorate the committee has come up with a number of fantastic grants, and I would like to thank everybody who has submitted proposals. I would like to particular thank my staff member, Lisa McDermott, who has overseen this process.

The Redhead Sustainable Neighbourhood have put forward a proposal for three murals and plaques at Redhead Public School. Redhead is one of the communities within the Shortland electorate that has a very strong history relating to involvement in both the First World War and the Second World War. Kahibah Public School has a proposal for an Anzac garden at the...
school. The East Lake Macquarie Historical Society is putting together the publication of a local Anzac history book for Shortland. St Brendan's Catholic school, on the Central Coast, proposed a remembrance garden and student booklets. Swansea RSL put forward a fantastic proposal for a new rising sun memorial on the foreshore of Lake Macquarie, and that will connect with a similar memorial in Western Australia. The Pelican RSL subbranch put forward a proposal for commemorative medallions for all of Shortland electorate's students.

I would like to add that the Doyalson RSL did put in a proposal for a medallion, but they did it outside the guidelines. I really appreciate their contribution, but unfortunately the minister could not support the proposal. I thank them for going ahead and doing that, regardless of the fact that the proposal could not be supported.

Ms SCOTT (Lindsay) (12:35): Mr Deputy Speaker Whiteley, I would like to congratulate you on your elevation to the Speaker's panel.

The DEPUTY SPEAKER (Mr Whiteley): I have only been there for seven months!

Ms SCOTT: He is a comedian as well!

An honourable member interjecting—

Ms SCOTT: He is a Tasmanian. Deputy Speaker, I would also like to acknowledge today in the chamber the presence of my good friend the brigadier, the member for Bass. He has served our great nation in Afghanistan, Syria, South Lebanon and Iraq.

Today we rise to speak in a bipartisan manner on a dignified motion put forward by the member for Higgins. The legend of Anzac embodies the spirit of our country, rising out of the Boer War diggers and enshrined on the bloodstained shores of Gallipoli. Together with our brothers and sisters across the Tasman, we joined forces and service, and far, far too many of our young men made the supreme sacrifice. Through our united toils and tribulations, the unique qualities of the ANZACS stand clear. In the words of Charles Bean:

… Anzac stood, and still stands, for reckless valour in a good cause, for enterprise, resourcefulness, fidelity, comradeship, and endurance that will never own defeat.

I would like to add to that list courage, sacrifice, ingenuity, good humour, larrikinism and, of course, mateship. Gallipoli’s coming just 14 years after the Federation of our country marked a defining moment in the formation of our nation's identity.

I would like to acknowledge the men and women from the Lindsay community who served. According to the AIF project database, around 352 Australian Imperial Force personnel enlisted with an address in the Lindsay electorate at the time of enlistment, including 246 from Penrith, three from Castlereagh, three from Llandilo, 20 from Emu Plains, seven from Mulgoa, three from Colyton, 64 from St Marys and six from Werrington.

It is true when they say that men were drawn from the smallest of towns and the biggest of cities. In a small town to the south of my electorate, a village called Luddenham, we saw Arthur Booth, Sid Willmington, Jim Roots and many of their mates go off to war. Even to this day, there is a picture of these men, who formed the Luddenham light horse brigade. When Arthur Booth was in Australia, he graded both Mulgoa Road and the Northern Road. He was my great-grandfather. Jim Roots was a legend that lived for over 100 years. He was a local butcher and from 1911 had a butcher's run. And Sid Willmington? He worked at the Luddenham post office. They were truly men of small towns.
I would also like to acknowledge today the $125,000 grant that will go towards our community to acknowledge the service of so many ANZACs who gave their life and their time, leaving from outer western Sydney. I also thank for their work the committee who have served to ensure that we make a good tribute and that the tribute that we provide from our region will appropriately mark the 100th anniversary of Anzac. They include Neville Barnier, Tony Fryer, Faye Lopo, Gary Rumble, Marilyn Stacey, Alan Travers and Erik Weller. I would like to thank them for their service. The ANZAC soldiers have helped define us as a people and as a nation. In doing so, I would like to finish with a poem, *We're all Australians now* by Banjo Paterson. Banjo Paterson's war poetry so often—I am possibly biased—tells us of the visions and form so much of our nation's past and future. The poem reads:

So now we'll toast the Third Brigade,
That led Australia's van,
For never shall their glory fade
In minds Australian.
Fight on, fight on, unflinchingly,
Till right and justice reign.
Fight on, fight on, till Victory
Shall send you home again.
And with Australia's flag shall fly
A spray of wattle bough,
To symbolise our unity,
We're all Australians now.

Mr HAYES (Fowler—Chief Opposition Whip) (12:40): I too would like to thank the member for Higgins for bringing forward this important motion regarding the upcoming Anzac Centenary commemoration. The initiative to commemorate the Anzac Centenary, and World War I to that extent, across Australia is very much a bipartisan effort. I am glad that the current government has decided to continue the funding under the Anzac Centenary local grant initiative, which was brought forward by the former government.

World War I and, in particular, what occurred at Anzac Cove nearly 100 years ago has greatly contributed to building Australia's national identity and shaping the country that we have today. This grant will allow communities across Australia to participate in commemorating a vital time in world history and in shaping Australia as a nation. I am proud to say that my local community has been working hard to develop unique and highly thoughtful ways of participating in this project. The Anzac Centenary Committee, which I established in my electorate last year, has been meeting regularly. It consists of representatives from local clubs, ex-serviceman's associations and schools. It has been working particularly hard to involve the community and young people in very much a collective effort.

I would particularly like to thank Elizabeth Godwin, Principal, Cabramatta High School; Michael Foulkes, Group General Manager, Cabra-Vale Diggers; George Taylor, Jim Thompson and John Dillon from Cabra-Vale Diggers; Barry Brooks from the Fairfield RSL Sub-branch; John Baron from the City of Liverpool RSL; Reg Bonney from the National Servicemen's Association; Taffy Pritchard from Canley Heights RSL; Bill Lottey from St...
Johns Park Bowling Club; and Geoff Lewsam, committee chair of the St Johns Park Bowling Club. The committee has met regularly and has worked in a very cooperative way to ensure what we regard as a truly unique and exciting way of placing the younger generation at the forefront of these commemorative activities.

The primary project in my local community that will commemorate Australia's involvement in World War I will involve more than 20,000 students from 41 local schools participating in an art competition. The students will have the opportunity to express their understanding of Australia's involvement in World War I and its effect in shaping modern-day Australia in a reasonably unique but certainly very artistic way. The opportunities for learning are immense, not only for the students taking part in the art competition but for the entire community. The winning works will be displayed during a large commemorative event on commemorative Sunday in 2015. The winning pieces will form part of a travelling exhibition and will be turned into a permanent print and electronic resource to be distributed throughout the electorate and particularly throughout schools. The overall theme of the project is 'The importance of not taking peace for granted'. It is a poignant theme. It is a lesson that is important to pass on to younger generations. To optimise the learning opportunities an educational calendar, highlighting daily events from 28 June 1914 to Remembrance Day 11 November 1918, will be created and disseminated using social media. I will be participating in the launch of this actual calendar later on this week.

Between 2015 and 2018, we will be planting a tree at each school in my electorate, a tree which is a descendant from the actual Lone Pine itself.

The Anzac Centenary project that will be carried out across my electorate of Fowler, and similar projects across Australia, provide a great opportunity for the whole community to embrace and recognise the importance of maintaining peace and of paying respect to those who gave their lives to ensure that Australia remains a democratic and free country. I commend this motion and I commend all members of parliament taking part in these commemoratives celebrations.

Debate adjourned.

Budget

Dr LEIGH (Fraser) (12:46): I move:

That this House:

(1) recognises that:

(a) since 1975, earnings at the 90th percentile have risen three times faster than earnings at the 10th percentile; and

(b) since 1980, the top 1 per cent income share has doubled, and the top 0.1 per cent income share has tripled; and

(c) overall, inequality in Australia is now higher than it has been in three-quarters of a century;

(2) notes that:

(a) analysis by NATSEM (which the Prime Minister once described as 'the most reputable and authoritative modelling organisation in Australia') shows that the 2014-15 budget will redistribute income from lower-income households to higher-income households;

(b) by 2017-18, NATSEM analysis suggests that the budget will cause:
(i) across all households, a 2.2 per cent drop in disposable incomes in the bottom quintile, and an 0.2 per cent rise in disposable incomes in the top quintile;

(ii) among couples with children, a 6.6 per cent drop in disposable incomes of households in the poorest quintile; and

(iii) among single parents, a 10.8 per cent drop in disposable incomes of households in the poorest quintile; and

(3) calls upon the Government to rethink a budget that not only breaks promises and produces higher deficit figures than in the Pre-election Economic and Fiscal Outlook 2014, but also fails the 'fair go test' by hurting low and middle income families.

One of the great challenges of politics is to put yourself in the shoes of others. In the framing of this budget I really question whether the government has been able to do that. If the Prime Minister and the Treasurer had placed themselves in the shoes of the poorest sole parents in Australia, it is doubtful they would be taking away one-tenth of the income of those families.

If they had placed themselves in the shoes of people like the vulnerable young Australians I met recently in Devonport, a part of Australia where unemployment is nearly twice the national average, I doubt they would be thinking it was reasonable that young, jobless people in high unemployment areas should sleep in their cars or on the streets for six months before they get unemployment benefits.

It appears to me that the Treasurer, with his strong understanding of how to invest his own money, is unable to put himself in the shoes of a pensioner who is ignorant of financial matters and who would therefore be hurt when the government strips away financial advice protections. I do not see any evidence that the government has been able to put itself in the shoes of people living on a low-lying Pacific atoll, who will be hurt by climate change as sea levels rise. I also worry that so many members of the government have not been able to think about how a same-sex attracted young person might feel as they attend weddings, knowing that they themselves are not able to enjoy the same ceremonies. While this budget has received criticism for breaking promises and for increasing the deficit, the real reason that I think Australians are condemning this budget is that it fails the 'fair go' test.

Over the last generation, Australian inequality has risen markedly. We have seen earnings of the top 10th go up three times faster than earnings for the bottom 10th. The Prime Minister's No. 1 business adviser and climate change sceptic, Maurice Newman, thinks that there is a wages problem in Australia. But his concern is not about CEO pay, which has gone up twice as fast as the pay of average workers; it is about the minimum wage, which is rising slower than average wages. Then there is the claim about a wages break-out that was given a lie last year, when wages for the first time in many years grew more slowly than inflation.

A recent report, put together by Australia 21, The Australia Institute and the ANU, Advance Australia fair, was sparked off by work that I had done in Battlers and Billionaires, in telling a story of inequality in Australia. The report brought together a range of people to discuss the problem of inequality and what to do about it. To me, it was particularly striking to hear John Hewson, former leader of the Liberal Party, at the launch talking about the great inequity that was at the heart of this budget.

When Australians see a government which is willing to give $50,000 to millionaire families to have a child, which is going to raise the non-concessional superannuation cap from $150,000 to $180,000, a measure that will surely benefit, almost entirely, millionaires, and
which sees its priority the repeal of the minerals resource rent tax, as beneficiaries will be mostly mining billionaires, they wonder why the government is giving so much to those at the top after a generation of rising inequality. They worry deeply about the impact on those at the bottom. Vulnerable Australians are being hit by the withdrawal of legal aid. They are suffering from the government's attempts to strip financial protections away from pensioners—a measure that will surely be good for bankers, but will almost certainly be bad for battlers.

Through this budget, we have seen the analysis carried out by NATSEM, which Prime Minister Tony Abbott once described as:

… the most reputable and authoritative modelling organisation in Australia.

The Prime Minister's No. 1 modeller says that the budget is redistributing income. It is not redistributing, as the Australian social safety net has traditionally done, and as has been supported by both sides of the House, from those who have the most and who have benefited the most over the past generation to the most vulnerable. No. It is redistributing from the bottom to the top. This budget is Robin Hood in reverse. It is a 'sheriff of Nottingham' budget, which takes away from those in the bottom quintile and which, by 2017-18, will see a 0.2 per cent rise for the top but a 2.2 per cent rise for the bottom. It is an unfair budget, the most unfair in many a generation. (Time expired)

The DEPUTY SPEAKER (Mr Whiteley): Is there a seconder for the motion?

Dr Chalmers: Mr Deputy Speaker, I second it.

Mr CRAIG KELLY (Hughes) (12:51): It is most interesting to follow the member for Fraser on his contribution to his private member's motion, which seemed more like plugging his book, rather than any advancing of alternative economic strategies of the opposition. We hear these great concerns from the opposition about the less well off in our society. I say to the members of the opposition: if you are so concerned about the less well off, why are you not repealing the carbon tax? The Parliamentary Library has been kind enough to get us some information about the spending on electricity prices. It follows that the lowest quintile of our population spent 5.2 per cent of their income on electricity. As we get to the lower end of that lowest quintile, it would be much higher. An average household spends only 1.5 per cent of their income on electricity. So the lowest income household spends 3½ times more of their income on electricity than does the average household. If we compare it to the highest quintile of incomes, the lowest quintile spends five times more of their income on electricity.

So one would think that if members from the opposition here were concerned about the inequality in our nation, they would be very keen to do everything they possibly could to get those prices of electricity down. They have another chance. Today the Prime Minister reintroduced the repeal of the carbon tax bill in the House. The opposition now have a chance. If they are really concerned about inequality, the steps are simple. Repeal the carbon tax because that lowers electricity prices. When you have high electricity prices, the people that you hurt the most are the poorest and most vulnerable in our society. But it appears to me from the contribution by the member for Fraser, he is prepared to have the lowest quintile of our population pay five times higher electricity prices as their share of income, because he believes—and I think he writes—that this will stop the sea level from rising, otherwise we will inundate Pacific atolls. That is the message from the opposition: 'We do not care about
you; you will pay higher prices for electricity because we believe we can control the sea levels.'

It also shows the complete fundamental misunderstanding of our economy that those on the other side have. Our economic pie, our wealth, is not a fixed, static unit. It rises and falls with the struggles and achievements of our entrepreneurs and that is what we should be encouraging. We should be making sure that we do everything to encourage small businesses—the entrepreneurial class of our society—to get out there, to have a go, to create, innovate and take risks, because that is what increases national income and that is what enables us to provide more money to those lowest quintile earners.

In fact, that is what we have done in this society over the last several decades. For example, in 1983-84, per capita, welfare spending in this country was $1,500 in today's prices. Today, because we have grown the economy, it is actually $6,000. We have been able to increase it four times. This is the spin-off when we get on with creating economic growth and growing the economy. What did we see under the six years of Labor? What happened to that small business community, the entrepreneurs of our society? We saw job losses in the small business sector of over 500,000 people. You could fill the MCG five times with the number of people in small business that lost their jobs under this group. Yes, there was a transfer of small business—

Dr Leigh interjecting—

The DEPUTY SPEAKER: Order! Member for Fraser, the member for Hughes listened to you intently.

Mr CRAIG KELLY: It is disappointing that the member for Fraser simply does not understand the importance of encouraging small business. If our concern is inequality, what we need to tackle is equality of opportunity. We are one of the few countries in the world without price discrimination laws, to tackle anticompetitive price discrimination. Very soon, we are going to have a competition report handed down. I hope that members of the opposition will get on board with the coalition, and get on board with that competition inquiry, and come forward and support fixing our anticompetitive price discrimination laws. That is the thing that deters equality of opportunity— (Time expired)

Dr CHALMERS (Rankin) (12:56): I rise today to speak in favour of the private member's motion moved by the member for Fraser, regarding the impact of this budget on inequality in Australia. He has done excellent work to advance our understanding of inequality in this country. I am pleased to support him on this motion. I also want to acknowledge the work of the member for Lilley on these issues. And what better time to debate them? As the rhetoric in the member for North Sydney's recent speech to the Sydney Institute shows, the political architects of this budget see rising inequality not as a challenge to overcome but as an objective to be met. We know that they cling to this idea—long disapproved—of trickle-down economics. We know that they are seeking to construct in this society and this country a two-tier society of haves and have nots.

The scale and breadth of this budget's attack on low-, fixed- and middle-income earners are neither unavoidable nor inconsequential. They will increase inequality; not by accident, but by design. Theirs is a deliberate strategy and one that is particularly out of place given an international policy environment increasingly interested in reducing inequality and promoting
social mobility. This new and welcome focus is founded on what has become mainstream economic opinion. Even the notoriously dry magazine *The Economist* has recognised growing inequality as ‘one of the biggest social, economic and political challenges of our time’. This government ignores this challenge and instead focusses on making Australia less fair, by asking the poorest and weakest to shoulder the heaviest burden.

The NATSEM analysis of the budget's full impact on families really speaks to this. The member for Fraser mentioned it a moment ago. The data reveals that the poorest 20 per cent of households will see their disposable incomes fall almost 2.2 per cent, while the richest quintile will see a rise of 0.2 per cent. A budget like that can only lead to a wider gap between the wealthy and the low paid in our economy. That is why the Australian Council of Social Services described it—accurately, I think—as a budget that divides the nation. Not only does it magnify inequality today; it will ingrain inequality for many years to come. The cuts to health, schools and higher education make it harder for our nation to develop the deep pools of human capital needed to feed productivity and social mobility in the decades to come.

It is worth reminding ourselves why inequality matters. There is a wealth of literature on this topic but let me boil it down to three key things. Firstly, it destroys human happiness. Secondly, it weakens our society. Thirdly, it weakens our economy. Inequality destroys human happiness because people cannot help but judge their own personal worth by comparing the resources they have with those of others. In a society like ours, the poor are surrounded, even bombarded, every day with images and living examples of people with advantages of money, status and possessions that they can only dream of. When these inequalities persist—and, worse, if they are handed down from generation to generation—it cannot help but breed a sense of hopelessness that no amount of effort will improve their situation and that social mobility is a relic of the past in an Australia we no longer recognise.

The second point is that large and enduring disparities make people feel that their society and their democracy are loaded against them, that somehow the game is rigged and they can never win. This breeds mistrust and weakens social institutions and democracy, with terrible consequences if left unaddressed.

The third point is that inequality is bad for economic growth. In a series of landmark studies, the IMF has clearly demonstrated the damage that inequality does to growth in the developing and the developed world. Jason Furman, President Obama's economic adviser, added to that literature over the weekend. Not only is this point striking for reaffirming what many of us feel instinctively but it also argues for different models of economic decision making, like inclusive capitalism, a concept fleshed out by Mark Carney, the Governor of the Bank of England. These models reflect the economic reality that equity and growth are not in conflict but can be mutually reinforcing.

We are here in politics—at least I and my colleagues like the member for Fraser, the member for Moreton and others are—to help people lead fulfilling lives and to build genuine social mobility that strengthens and grows our economy. That is the key reason why we are lining up with millions of Australians who reject the unfairness of this budget. It is why we are making the case for a country where fairness is part of the future and not just part of the past.

*Mr Van Manen* (Forde) (13:01): It has been interesting listening to the contributions of both the member for Fraser and the member for Rankin. It is instructive to note that, back in
January this year, the respected former Labor senator John Black produced a report. This was quoted by Matthew Denholm in *The Australian* in an article titled 'Labor’s policies hurt “working families”'. It opens with the comment:

THE big winners from six years of Labor government were white-collar, inner-city Greens, while the big losers were blue-collar traditional ALP voters and young mums in the outer suburbs, an analysis of job trends shows.

We have spent the last 15 minutes listening to two contributions from those Labor members opposite, who were both key members of the previous government. Yet it was their very policies over the last six years—I would respectfully suggest—that were, in part, a contributing factor to the outcomes that were quoted from that NATSEM report.

It is sad to reflect that, whenever Labor are in government, they always purport to seek to help the poorest and most needy in our society yet appear to do almost exactly the opposite. In particular, they stand there still as an obstacle to the repeal of the carbon tax, yet they fail to want to have an honest discussion about the welfare of low- and middle-income families. But we need to recognise that it is their past decisions that have gone a long way to contributing to the cost-of-living pressures felt by those people, as was well outlined in Mr Black’s report. These are decisions such as an economy-wide carbon tax driving up the cost of living for families, community organisations, service groups, small business and those supporting our families; changes to private health insurance placing more pressure on public hospitals; abolition of the Chronic Disease Dental Scheme; and, for those organisations involved in helping the most needy in our community, the introduction of the Australian Charities and Not-for-profits Commission.

To give you on a local example, Debbie Hill from Lighthouse Care—who provide low-cost groceries for our community—was recently at a forum with the Minister for Social Services. She advised the minister that the cost of additional compliance and red tape as result of the introduction of the ACNC was some $10,000 per annum. Considering that they sell groceries to those needy families in our community for $25 a trolley, that is some 400 trolleys of groceries they can no longer provide. But this government stands here today seeking to repeal things like the ACNC, which will take that burden away and allow community organisations to help those who are in need.

As I touched on earlier, we have the absurdity of the carbon tax. Imagine the savings to our community organisations, charities and small businesses that will accrue through the removal of the carbon tax, the funds they will be able to put back into our local communities, funds and resources that will assist low- to middle-income families, the very families you are talking about in this motion, member for Fraser. They will continue to be disadvantaged by the stubborness and intransigence of Labor and the Greens.

The coalition government's priority is to provide more opportunities and security for Australian families. As the member for Hughes rightly touched on in his contribution and to quote the member for North Sydney, the focus should be on equality of opportunities. That is exactly what we are seeking to do for all in our community through the introduction of the trade support loans for apprentices, through providing additional concessional loans for diploma and associate degree students for the first time and through working with the university sector to provide scholarships to those from low- and middle-income families who otherwise could not afford university education.
Debate adjourned.

Migration

Ms MacTIERNAN (Perth) (13:07): I move:

That this House:

(1) notes with concern the extent to which 457 visas are being used where there are ample, suitably qualified Australians; and

(2) urges the Government not to delay the completion of its review or its response to this growing problem.

A couple of months ago, when I was in the Pilbara, I was approached by a number of chaps in hi-vis vests who were working on the Roy Hill project. They came to me to say that they were employed by Samsung, who were doing the construction under contract for the Roy Hill project, and that they were absolutely horrified by what was going on with 457 visas, that in fact these visas were being systematically rorted. I must say that in Western Australia we do understand that during the boom absolutely we needed 457 visas. We needed to move very quickly to exploit our resources and to get the march on some of our competition and 457 visas were part of that. But as I go around the state I have many more complaints about what is going on with 457 visas and the misuse of other visas such as the 651, 676 and the 988. There is no doubt in my mind that the 457 visa is creating a culture that is discouraging investment in skills and training.

The national resource sector employment task force a couple of years ago made it clear that the resources sector employs considerably fewer apprentices than would be expected for its share of employment. They looked at its trade and at its apprentices and said that in fact the sector would have to double the number of apprentices to be on a par with other industries. So we started looking at 457 visas and the stories which kept coming up were deeply alarming.

First of all, there was this Samsung case where a whistleblower had come forward and said that between 150 and 200 457 visas workers were employed on the Samsung project and that half of these white-collar workers were Korean nationals. Most were young workers, under the age of 30, and had very poor English language skills. The wage rate was less than $16 an hour. The workers are made to work excessive hours. They are working from 7 am to 9 pm every day, with only one day off a month. Many of these workers are not working in the occupation nominated for their 457 visas. Engineers are acting as occupational health and safety officers, with no qualifications, or in lower level roles in human resources, payroll, marketing, reception, publicity and site administration. And I have to say that this is a complaint that we hear about many companies.

They went on to say that the sponsor, Samsung C&T, has not been authorised by the Department of Immigration and Border Protection to employ the 457 visa workers in occupations other than those nominated for in their 457 visas and many of the 457 visa workers themselves are suffering extreme stress as a result of the very long hours and the onerous conditions of their employment. Fair Work Australia has been notified, as has the Department of Immigration and Border Protection. We understand that there is an investigation underway but that appears to be not proceeding with any rapidity.

Unfortunately, time does not allow me to go through all of the other cases that we have, but I want to express my concern about the free trade agreements. I think one of the big sleepers
here is the lack of transparency that we see with what the government has been doing with the free trade agreements. The free trade agreements with Chile and Thailand have been changed, so that all Chilean and Thai nationals are exempted from the labour market testing provisions of the 457 visa agreement, and we understand that the Korean trade agreement expressly says that Australia has agreed not to apply labour market testing to granting the temporary entry visas to the staff of Korean service suppliers. We also understand that inherent in this Korean trade agreement is a disparity, in that there is not the reciprocity for Australian workers. So the conditions for Korean workers coming into Australia are far greater and broader than for Australian workers going to Korea. We have also seen the introduction of Facebook testing and the reopening of loopholes in 457s. We must act on this. (Time expired)

Mr COLEMAN (Banks) (13:12): I am very pleased to address this motion in relation to 457 visas. The member for Perth is right to be concerned to ensure that the 457 visa program is always used in the manner for which it is intended. The need to ensure that is very clear. That is why the government has appointed John Azarias to conduct an inquiry into the operation of the 457 visa system. The role of 457 visas is to enable businesses to access workers from overseas only in situations in which that work cannot be obtained from local workers. That is how the system must always be run.

I think it is important to note that the 457 visa program substantially expanded under the previous government. I know the member for Perth was not here in the last parliament and, whilst I have no doubt her concerns are genuine, it is certainly the case that the 457 visa program expanded very substantially under the previous government. It went from 68,000 people who had 457 visas in 2010 and, by the time at which the previous government left office at the direction of the Australian people, there were 110,000 people who had 457 visas. Under the previous government, within a three-year period, there was actually a 62 per cent increase in the number of 457 visa holders—a very substantial increase. That is a very substantial increase.

It is also important to note that the rate of growth of 457 visas has slowed very substantially under the current government. In fact, between April last year and April this year, the growth in 457 visas was only one per cent—that is, around 110,000 people in both April 2013 and April 2014 held 457 visas. That demonstrates that the program is being managed in an effective and prudent fashion. As with all areas of policy, it is always appropriate to review their effectiveness, and that is what the Azarias review will do. It is due to report very soon, with the date of 30 June given for the report's approval.

It is important to reflect on where the 457 visa program is effective. There are circumstances in which it is not possible for jobs to be fully filled by local employees. The last thing that any of us want to see is an Australian business close down due to lack of labour. In those circumstances, it is appropriate to access that labour to ensure that the business can function. There was a 60 per cent increase in the number of people with 457 visas within a three-year period under the previous government. That is more than 20 per cent growth per year. That certainly suggests very strongly that the previous government was supportive of 457 visas and, indeed, very substantially expanded their operation. We will see in the Azarias review, when it shortly reports, the extent to which that expansion was in the best interests of the country.
It is also important in the context of this debate to talk about the importance of free trade. Free trade is good for local economies because, if we want to be able to sell our goods and services to foreign markets, we need to behave in a reciprocal manner with those nations. The minister for trade has done an exceptional job in securing free trade agreements on behalf of the nation. The Azarias report will have more to say on the 457 visa system shortly.

Debate adjourned.

Lipoedema Awareness Month

Ms HALL (Shortland—Opposition Whip) (13:18): I move:

That this House:

(1) notes that:
   (a) June is Lipoedema Awareness Month, and that Lipoedema is a painful disorder of fat metabolism and distribution that causes deposition of fat in 5 to 15 per cent of the population (mainly women) in the legs and arms; and
   (b) Lipoedema is:
      (i) an underdiagnosed disorder for which sufferers receive poor medical diagnosis and no counselling support—Lipoedema is a poorly supported illness; and
      (ii) one of the most underfunded chronic conditions in Australia with limited research as to its cause and the treatment required for patients;
(2) calls for:
   (a) a public awareness campaign to be launched and for Medicare Locals to be involved in the campaign; and
   (b) support to be given to people living with Lipoedema to ensure appropriate ancillary services are available; and
(3) notes the need for research and population data on Lipoedema.

June is Lipoedema Month. For members who are unaware of lipoedema, it is a painful disorder involving fat, metabolism and distribution. It affects the distribution of fat in five to 15 per cent of our population and mainly women. Lipoedema is something that I was quite unaware of, although I had seen women who suffered from it in the past. There is very little information about this disease and it is very poorly funded. Any research and treatment of the disease is very limited. It is a genetic disorder. Typically, there is a pattern of fat accumulation from the hips to the ankles and the upper arms.

Lipoedema may be found in women of all sizes. Diet and exercise do not decrease lipoedema fat, although they are important in managing the disease. Lipoedema may be present at the time of birth or it may manifest in puberty, during pregnancy, during changes that lead to menopause, following surgery or after general anaesthetic. It is triggered by an extremely stressful situation. When hormones increase, it causes inflammatory cascade and quite often it is misdiagnosed as obesity. It is quite painful, and that is something that people are unaware of. As well as the painfulness of the disease, it is also very hard for a woman to live with because it attacks her self-image.

It was first discovered in 1940 by Allen and Hines from the Mayo Clinic. Over 60 years later, there is still very little knowledge of it. It is quite often misdiagnosed. Sadly, most Australian women who have lipoedema are not diagnosed in the early stages and are at the second, third or even fourth stage. In the later stages, little can be done surgically. By the time
lipolymphoedema is diagnosed—and that is at the final stage—the lymphatic fluid is building up in the limbs.

I have heard some horrific stories over the last week, since this issue was first raised with me. From the third stage on, mobility is often compromised, and that causes a further level of disability. It is a major cause of women working fewer hours or retiring earlier. A survey by the Lipoedema Australia Support Society in 2011 showed that 52 per cent of lipoedema sufferers suffer for 30 to 45 years before being diagnosed, and more than 80 per cent have the condition for over 10 years before being diagnosed. Given that it is debilitating in nature and given the impact that it has on a woman’s appearance, it is really sad that this is the situation. The same survey showed that most sufferers saw three medical practitioners before it was diagnosed. Alarmingly, most said that, after the diagnosis was made, very little treatment was offered.

There are a number of things that need to happen. It is Lipoedema Awareness Month. Lipoedema should be covered under the Chronic Disease Management Medicare list. Lipoedema should be seen as a disease by Medicare and health insurance companies, because the money is not there for the appropriate treatment. Medicare Local offices throughout Australia should promote Lipoedema Awareness Month. The training of general practitioners to recognise and treat lipoedema is paramount. Surgical treatment for lipoedema needs to be recognised by Medicare, and plastic surgeons should be trained to be skilful in liposuction techniques. Specialist ancillary services such as counselling, dietary advice, rehabilitation and exercise consultants need to be available through Medicare and health insurance companies.

This is a disease that has an enormous impact on the lives of women. There is no research taking place. We need research. It is time that action be taken to give people hope, to give people a future and to allow them to enjoy a normal life, the kind of life that other Australian men and women enjoy, without being debilitated and having their mobility and their lives impacted on in such a way. Really, Australian medical research into lipoedema needs to be funded because nil takes place at the moment. *(Time expired)*

**The DEPUTY SPEAKER (Mrs Griggs):** Is the motion seconded?

**Mr Perrett:** Yes, I second it.

**Ms GAMBARO** (Brisbane) (13:24): I thank the member for Shortland for her delay tactics! I would also like to thank the member for Shortland both for the motion and for her graciousness in the chamber today.

Lipoedema is a condition that is little known about and there is limited information available on the cause and prevalence in Australia. Lipoedema is a chronic condition where an abnormal buildup of fat cells occurs in the legs, thighs and buttocks. It is not limited to a person’s weight and it affects people from all ranges and all ages, most commonly in females. The cause of lipoedema is not known but evidence suggests that it occurs almost exclusively in women and may be linked to a family history of the condition. Given that the symptoms usually start in puberty or with pregnancy, it is thought that hormones have a large influence on the condition. Lipoedema does not discriminate across weight ranges. While the accumulation of fat tends to be worse in people who are obese, it also affects people who are in the normal weight range. While diet might help to control the secondary symptoms, such as pain and disability, it does not make any difference to the progression of the disease.
As I said, lipoedema is a condition not widely known about. There is limited information available about the prevalence in Australia. It does not appear to be broadly recognised as a chronic condition. For example, it is not included in any of the Australian medical textbooks or training. Therefore it is not always possible to substantiate the prevalence in 5-15 per cent of the population. I know that Ms Hall has tried to provide those but it is difficult for the department to estimate if this is an underdiagnosed disorder, as always when you do not have the accurate prevalence figures. On that basis currently lipoedema is not a research priority area for the government. National funding to manage chronic disease conditions such as lipoedema is provided through programs such as Medicare and the Pharmaceutical Benefits Scheme, which support access to care and medicines. Support is available through Medicare for general practice and specialist medical services that may be used to treat lipoedema. In addition there is support for people with a chronic condition and complex care needs that are being managed by their GP under GP management plan and team care arrangements.

For the secondary conditions such as the pain that results from lipoedema, treatment is available from a range of pharmaceuticals subsidised under the Pharmaceutical Benefits Scheme. In 2012-13 the federal government spent more than $340 million under the Pharmaceutical Benefits Scheme on analgesic medicines to alleviate pain. The government also made significant investments into pain and pain management research, with more than $97.4 million allocated through the NHMRC since 2003.

The Abbott government appreciates the challenges in daily living faced by many of the individuals and families affected by chronic conditions and chronic pain. The government addresses chronic conditions and chronic pain through a broad range of programs and initiatives through Medicare, the Pharmaceutical Benefits Scheme, the National Palliative Care Program, the National Prescribing Service and the National Health and Medical Research Council. A review was published in the British Journal of Dermatology in 2009 which indicated that lipoedema may not be a rare condition in the United Kingdom but without early diagnosis and appropriate management the condition can be associated with considerable morbidity. Management strategies, including patient education, weight control and surgical procedures such as debulking procedures or liposuction, can be used.

Prior to any consideration of public awareness campaigns or the provision of additional services, a similar review of the condition in Australia would be appropriate to determine how it should be recognised. There is a real need to change the status quo, and that is why from January 2015 the largest medical research will be provided which will benefit all Australians by harnessing the capacity of our researchers and bolster Australia's reputation as a world leader in development of new medicines and technology. The government has made a huge commitment to medical research and medical research will be a key knowledge-based industry for the 21st century and hopefully it will find a cure to this condition.

The DEPUTY SPEAKER (Mrs Griggs): The time allotted to this debate has expired. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

Sitting suspended from 13:29 to 16:03
STATEMENTS BY MEMBERS

Australia-Indonesia Institute

Dr LEIGH (Fraser) (16:03): In the late 1970s I lived in Indonesia for three years, in Jakarta and Banda Aceh. I stay in contact with my friend Niko, although my Indonesian has not advanced much beyond the schoolboy Indonesian of Terima kasih and Baik-baik saja.

It was my pleasure recently to attend the 25th anniversary of the Australia-Indonesia Institute. Established in April 1989, the Australia-Indonesia Institute has put in place a number of important programs, including the Youth Exchange Program and the Muslim Exchange Program. They have a School Exchange Small Grants Program and work with the Myer Foundation on issues of cultural dialogue.

The Indonesian relationship is a vital one for Australia. We have had past giants in Herb Feith and Jamie Mackie, who worked hard to improve the relationship, and I also pay tribute to Hal Hill and Chris Manning and many others at the Australian National University who do research on Indonesian issues.

Next month Indonesia will go to a presidential election with Joko Widodo and Prabowo Subianto as the main candidates. It is of deep concern to me that the government's tow-back policy is at risk of jeopardising our relationship with Indonesia, following the election. I call upon the government to stabilise relationships and settle a code of conduct prior to the election taking place.

Electorate of Barker: Stand Like Stone Foundation

Mr PASIN (Barker) (16:04): On Saturday evening I had the pleasure of attending the Stand Like Stone Foundation's seventh annual 'Swinging with the Stars' fundraising event in Mount Gambier. The Stand Like Stone Foundation, established in 2004, is a wonderfully dynamic community based philanthropic foundation serving the south-east of South Australia, in my electorate of Barker. It offers individuals, families, groups, corporations and not-for-profit organisations an easy and satisfying way of giving something of real value back to our community. Indeed, since its establishment, the foundation has raised over $1 million and has set itself the target of doubling that effort over the next five years. In addition to providing grants twice yearly for charitable projects and educational scholarships, the Stand Like Stone Foundation also facilitates community based projects that result in both financial and social benefits to the local community.

The seventh edition of 'Swinging with the Stars' was another tremendous success for the foundation, and I commend the committee and participants for their efforts. Congratulations to the local 'stars': Brett Snodgrass and Nathan Clarke from Lucindale; Jamie Wimshurst from Penola; Naracoorte's Derek James and Georgie Hamlyn; and Mount Gambier locals Alisha Williams, Suze Ricketts and Danielle Roselt. You should all be proud of your efforts. A special mention of course goes to Derek James and his partner Megan Pfeiler for taking out this year's title and to Georgie Hamlyn for leading all-comers and raising $13,000. I wish also to acknowledge Mount Gambier's own Generations in Jazz Academy Band for their excellent musical offerings on the night. (Time expired)
Housing Affordability

Mr Watts (Gellibrand) (16:06): Housing affordability is an important issue for Australia. However, we will not remedy it if we allow shallow anecdotes and lazy stereotypes to determine our response. In this respect, I was disappointed to read an article in this morning’s Australian entitled ‘Foreign buyers add 10 pc to home prices’. The article quoted assertions that ‘foreign buyers’ were purchasing homes in Australia at an alarming rate. The article cited a Melbourne buyer's agent as evidence. He was quoted as saying:

… it was easy to tell when buyers were unlawful foreign investors purchasing in their sons' and daughters' names because you could see them talking to their parents on the phone throughout the auction.

I represent an electorate with a large Asian-Australian population, and I recently bought a home in this area. Unsurprisingly, there were many Asian faces at the numerous property auctions that I visited in this process. Some of these Asian faces were members of my own family. According to Reserve Bank of Australia research published earlier this month, like my family, the vast majority of the Asian faces at these auctions would have been Australian citizens. This RBA reported noted that: ‘Foreign residential purchases do not appear to have a major presence in the Australian property market' and that 'the degree of competition with foreign buyers is still likely to be fairly small.'

It takes more than a phone call to mum and dad and a few foreign words to determine someone's citizenship. We do our Asian-Australian community a great disservice when we allow ourselves to buy into this kind of baseless scaremongering and we distract ourselves from the real issues in the Australian housing market.

Black Spots Program

Mr Laming (Bowman) (16:07): I want to commend the Black Spots program—genuine, economic infrastructure on the ground; child of the Howard government; and a big change from a Labor government that spent most of the surplus we left them on non-economic infrastructure. In my electorate, Bailey Road and Old Cleveland Road East got $1.25 million to improve lines, signals, lighting and extended turn lanes. People in my electorate have comments on this:

‘Troy Helter Skelter Porter—I tell my friends to stay away from the intersection. I had a subbie who drove in to do contractor work only to have an accident as they drove away.’ Mr Schofield, from Downing Street, talked about all of the traffic coming back from the school and said that he has to take the back routes to avoid this intersection. This is one that should have been fixed long ago.

I am not sure about the federalist model here, where we have the federal government picking up black spots. But at least this is a proven, non-wasteful program—unlike those with the word 'Labor' in front of it, which were by and large either wasteful or ended up in front of a royal commission. It was one or the other. But it is not that case with the Black Spots program, which is strongly supported by my local community—fixing up Old Cleveland Road East, fixing up Wellington Street in Cleveland. It is a program that I hope will continue in the future.

Taxation

Dr Chalmers (Rankin) (16:09): I had the pleasure today of meeting with representatives of Micah Challenge Australia, who are in Canberra this week for their annual
'Voices for Justice' event. This year their campaign has been on an issue of great interest to me and to members on this side of the House—'Shining the light on tax dodging'. Tax evasion by major multinational enterprises by profit-shifting overseas is a huge threat to a sustainable tax base in Australia and in many other economies around the world. The last Labor government understood this and a lot of good work was done to clear up several major tax loopholes.

Unfortunately, when the coalition government was elected, they reversed some of these responsible tax measures, allowing over $700 million more to be shifted offshore by major multinationals selling Australians short. As the delegation from Micah Challenge pointed out and as the IMF found recently in their report on spillovers in international corporate taxation, developing countries are hit even harder than we are by the problem of tax evasion and profit shifting.

To Australia the opportunity cost of reversing our measures is the brutal attacks on Medicare and pensions and increases to the fees for higher education. To developing countries, the opportunity cost of foregone tax is even worse. It means missing out on building new schools, new hospitals and dragging people out of poverty. Australia has a great opportunity to progress work on this problem at the G20 in November this year. I commend the group from Micah Challenge for shining a light on this important issue and for trying to keep the government up to the mark on it. (Time expired)

**Mental Health**

**Mr WYATT** (Hasluck) (16:10): I rise to speak about mental health. The member for Kingston and I cohosted a Parliamentary Friends of Mental Illness meeting on 19 June. We listened to two young people who were incredible. One had started to care for her mother at the age of five. Her mother and her father both suffer from mental illnesses. The mental illness is trauma related from their time in military service. She became the principal carer for both her mother and her father for the period of her life until 18. In that time she continued to be there for them in their caring and GP treatment. There are challenges with that, but ARAFMI has worked in conjunction with them and now provides a support program for young carers. We often take life for granted. They explained that, for the first time in a long period, Johanna and James, who was the other speaker, went to see the *Lion King*. It is something we take for granted every day, but these kids cannot because they care for a mother or father who has a mental illness and they take on the burden at a very young age that interferes with their schooling and their social life and often leaves them isolated. Johanna talked about the impact of that care and she now suffers from depression, but ARAFMI and other groups in the area now provide the level of support that helps her cope. (Time expired)

**Jenkins, Mrs Wendy**

**Mr GILES** (Scullin) (16:12): I rise to draw the attention of the House to the passing of Wendy Jenkins, whose funeral took place in Melbourne this morning. I am very pleased that my friend the member for Chisholm was able to attend and to hear that it was a very fitting send-off. Hazel Eileen Jenkins, known as Wendy, made an extraordinary and indeed indelible contribution to the electorate of Scullin and to the Labor Party. While I only met her on a few occasions, and I do not presume to have known her well, it is important to acknowledge her achievements in this place.
Wendy was married to Dr Harry Jenkins, who represented the electorate of Scullin from 1969 to 1986, and was the mother of the representative who succeeded him, Harry Jenkins. I can only speculate as to her influence on their many parliamentary achievements, although I am aware of how proud she was of both of them. Her personal achievements deserve and warrant serious attention. Wendy was a life member of the Victorian Branch of the ALP and was the first at many things—notably, the first woman on Whittlesea Shire and a real trailblazer in terms of women's involvement in the Labor Party, in Victoria and nationally. She famously stood up to Gough—the start of a friendship, I believe—and always stood up for social justice. She was very involved in the Lions Club and, until very recently, she was a delegate to the ALP's state conference, continuing her deep involvement at every level, going back to before intervention. She always puts others first.

I extend all my best wishes to all of Wendy's family at this time and, in particular, to Harry and Michele. I know she will be greatly missed but always remembered.

Hughes Charity Car Show

Mr CRAIG KELLY (Hughes) (16:13): I wish to advise the House of the success of the inaugural Hughes Charity Car Show that I proudly hosted and which was held at Kelso Park, Panania, last Sunday. We had over 200 great cars on display, including hot rods, classic Fords and Holdens and a display of police historic vehicles, just to name a few. I would like to especially thank everyone who took the time and effort to display their vehicle on the day and I also thank the sponsors, including Queen St Customs, BP Milperra, Rincap Automotive, the Mill Hotel, Shannons Insurance, Villaggio Bar Cafe, Koenigsegg Australia, Panania Diggers, Peter Warren Autoworld, The Torch, Restor FX, Tyrepower Revesby and Samuel Noakes Photographics. We were successful in raising several thousand dollars on the day for the rural fire service.

The category winners on the day were: Mark Chalmers, Best in Show, Hughes Choice and Best Interior; Bob Parkin, Best Holden; John Nicholls, Best Ford; Steven Earl, Best Japanese; Carl Trad, Best Euro; Wayne Anthony, Best Paintwork; Danny Xuereles, Best Classic; Neil Wrightson, Best Hot Rod; Steve Sammut, Best American; Peter Macken, Best 6 Cylinder; Spiro Giannakis: Best 4 Cylinder; Warren Magro, Best 8 Cylinder; SS Owners Club, Best Club; Alex Theuma, Best Rotor; and Brendan Barker, Best Ute/4WD.

The day was important because cars are more than just something to get us from A to B. The car remains an important symbol of freedom and liberty. I think the most important thing on the day was the incentive that many young kids took away; the incentive that here in Australia, through hard work, entrepreneurial drive and a stroke of good luck everyone has an opportunity to earn any of the great cars that are on display on the day. That is something that happens in very few countries in the world, and it is something we must be ever vigilant to protect. I look forward to the 2014 Hughes Charity Car Show being bigger and better.

Higher Education

Ms BURKE (Chisholm) (16:15): The Abbott government's proposed budget for 2014 commits an act of robbery. Thousands of hardworking and capable Australian students seeking knowledge and enlightenment by pursuing their right to higher education will be robbed of the opportunity to fulfil their potential. The young people who drive our development as a nation will soon be stripped of their right to receive the higher education
that we have worked long and hard to establish. Women in particular—who are already disadvantaged by a wage gap of 17.5 per cent—as well as those from low-income backgrounds and those from regional areas will be hit hardest, further impairing their already existing struggles in obtaining education. The current government is trying to deny the people to whom we will soon be entrusting the future of this country their right not to be discriminated against on the basis of their financial circumstances. We cannot regress into a system of Americanised education where the ideals of learning are mutated, from an exciting opportunity for everyone to grow and develop their academic potential, into a business-like, exploitative institution that values things as trivial as an individual's ability to pay over their actual capabilities.

All Australians are entitled to play a part in the economic artistic, scientific and all-round advancement of this country. When we remove funding from higher education schemes and thus remove that right, we inhibit our ability to progress on an international scale. So wrote Sophie, who was doing work experience in my office last week from PLC. I think Sophie encapsulates beautifully the angst that many students are going through now at the lost opportunity they face. (Time expired)

**Herbert Electorate: Townsville City Lane Project**

Mr Ewen Jones (Herbert) (16:16): One of the hard things in Townsville is when you send out an RSVP and no-one responds. So Laurence Lancini sent out 600 invitations to the opening of our new urban renewal project City Lane. He got 580 positive responses, so he knew he was onto something special. 'If you build it, they will come.' I think that was Kevin Costner, although we all know that Anthony Albanese will claim it as a line of his own in the future.

This urban renewal includes restaurants, bars, open spaces and alfresco dining. It is like a little lane in Melbourne. They have used the original brickwork. It has been absolutely fantastic. The street art is by Fintan Magee; born in Lismore, raised in Brisbane, only 28-years-old—the world is his canvas. The street art there has been absolutely fantastic. So I say: congratulations to all—including 'Fitz' Jamie Fitzpatrick, who has one of the restaurants there and who has employed my daughter on a casual basis. Good on him. It is one of those trendy places where you drink out of jars and there is all that sort of stuff—

**An honourable member:** Sounds like home.

Mr Ewen Jones: It does sound like home. It is a fantastic place. It was freezing cold in Townsville on Friday night: 26 degrees. (Time expired)

**Australian Youth Climate Coalition**

Ms Bird (Cunningham) (16:18): Thank you, Member for Herbert; that is certainly somewhere I look forward to visiting when I next go to Townsville.

I want to take this opportunity to report to the House about a very important meeting I had in Wollongong University last week. I attended—with my colleague the member for Throsby—the Australian Youth Climate Coalition. The organiser Eva Davis-Boermans invited Stephen Jones and I to come along as local members to receive from them their petition about the Safe Climate Roadmap. They took the opportunity to give us some feedback about stalls they had been having in the local area, talking to the local community about their concerns, as the next generation, about the impacts of climate change on not only
the globe but also as a local issue for them living in our area. They had invited guest speakers Dr Adam Lucas, a senior lecturer in science and technology at the University of Wollongong; and Nigel Pennington, who was representing local surf lifesaving, and talked about the impacts and effects on emergency service personnel, particularly in volunteer organisations, of extreme climate events.

So it was great to be there. The big polar bear was there as well. It was a really exciting event. I did not bring the polar bear with me today; unlike with Peppa Pig, who I did bring when I was talking about ABC cuts. It was a great event and I congratulate— (Time expired)

Moggill Koala Hospital

Mrs PRENTICE (Ryan) (16:19): The Moggill Koala Hospital in the electorate of Ryan is achieving wonderful outcomes for the rehabilitation and treatment of ill, deceased and orphaned koalas. More than 70,000 koalas have been rescued by the hospital over the last two decades. The work conducted at the hospital is of the utmost importance, as the decline in the koala population of Queensland threatens the species. In order to combat the threats facing the health of koalas, researchers at the University of Queensland are working with the Moggill Koala Hospital. This collaboration includes undertaking three separate research projects that aim to provide insight into how ill koalas can best be healed. Among these research projects will be the study of male koala infertility associated with chlamydiosis. Researchers involved hope that this study will provide a better understanding of what proportion of koalas with clinical chlamydiosis have upper reproductive tract pathology that might impact on fertility, jeopardising the future of the koala species.

The hospital provides facilities that house koalas infected with both cystitis and conjunctivitis; a koala kindy to allow baby koalas to learn to climb and then become independent; an injury and intensive care unit; and an on-site plantation for koala food trees. I look forward to seeing the results of these studies and the improvement they will make to the koala survival. I thank all the wonderful and hardworking staff and the volunteers.

Budget

Ms CHESTERS (Bendigo) (16:21): Today I rise to let the House know about an article that appeared in one of my local papers, the Midland Express. It is titled 'Doctors speak out,' and they are speaking out about the $7 GP tax. The article reads: 'The Castlemaine Medical Group, representing the 21 general practitioners of Castlemaine, has written to Prime Minister expressing their dismay and disappointment at the government's budget plan to introduce a $7 general practice co-payment.'

In the letter they state that general practice is the foundation of the Australian healthcare system and the first point of contact for patients seeking medical help or advice. They say the co-payment will abolish access to universal health care and will seriously jeopardise the equity of access within the system. I agree with the GPs. The GPs in my community are speaking out.

The chair of the staff association, Cathy Foley, said that the group had put a lot of thought into the letter. She said, 'As the chair, we hold grave concerns that the proposed government changes to Medicare, particularly the co-payment, will hurt patients who require bulk-billing—bulk-billing to ensure that their health is not compromised. They are worried that access to health care will be compromised for the community, particularly those who are most
vulnerable. The letter says that the government is failing to keep its election promise of no funding cuts to health. I agree with the words of my local GPs and the GPs in Castlemaine.

(Time expired)

**Australia-Spain Parliamentary Friendship Group**

Mr IRONS (Swan) (16:22): As you would know, Deputy Speaker, I am the chair of the Australia-Spain Parliamentary Friendship Group. This morning I went to a ceremony to sign a memorandum of understanding on sports cooperation between Spain and Australia, and the Spanish Ambassador, His Excellency Mr Enrique Viguera, was there, along with the Minister for Health, Peter Dutton, who was signing the form. I was lucky enough to be presented with a Spanish soccer jumper—

*Opposition members interjecting—*

Mr IRONS: I will pass that on to the parliamentary sports group; I will pass it on to Andy Turnbull. Australia and Spain are in group B in the FIFA World Cup. Both teams have lost their games to fellow group B teams, Chile and the Netherlands, and will be eliminated at the conclusion of the group stage. Nevertheless, pride is at stake tomorrow morning when the match between Australia and Spain kicks off at 2 am tomorrow Eastern Standard Time. I am sure plenty of members of parliament will be watching that match tomorrow morning. It is the first time this fixture has ever been played. Unfortunately, Tim Cahill, the scorer of a wonder goal in the Australia-Netherlands game, is suspended for tonight's game. Spain has dominated global football over recent years, having won the last three major tournaments they have competed in—Euro 2008, World Cup 2010 and Euro 2012—but it seems that this run has come to an end.

*Mr Randall interjecting—*

Mr IRONS: I hear the member for Canning making a comment about how good they have been. But tonight's match Australia versus Spain is up for grabs. I am sure there will be plenty of passion and spirits, and I say, 'Go Australia' tonight.

**Survivors of Suicide and Friends**

Ms McGOWAN (Indi) (16:24): It was a cold wet night on Saturday, when 200 of the Albury-Wodonga community gathered to shed light on the silent grief of suicide while at the same time taking up the challenge of reducing its incidence. As we know, with the passing of the winter solstice, each day after that grows more light. This is also the hope of those left behind.

In this speech today I want to thank and commend the organisers of the second annual Winter Solstice Community Evening, the Survivors of Suicide and Friends. In particular I acknowledge Stuart and Annette Baker, who, through the loss of their daughter, showed the way with the first winter solstice last year and the establishment of Survivors of Suicide and Friends. Thanks also to Emma Younger, Chelsea McLaren, Susi Taylor, Eli Fraser and Jodie O'Sullivan, and local media *The Border Mail* and Murray-Goulburn ABC, who are now lending their energy and support to organising this significant community event.

The Survivors of Suicide and Friends have a big dream: to take the annual Winter Solstice Community Evening from being local and to put it on the national stage To my colleagues here today I ask for your support so that the winter solstice will become a national day to raise awareness of suicide and to give support to survivors.
Students Advising Youth

Mr RANDALL (Canning) (16:25): I rise to speak on a brilliant youth engagement program being spearheaded by Western Australia Police, Lions clubs and Murdoch University. The SAY project, Students Advising Youth, is an innovative program which looks to use digital and social media to communicate a crime prevention message to the community at large. Participants, aged 12 to 18 years, through their secondary schools or youth groups, are asked to make a short film and upload it onto YouTube. These films are required to promote a message related to crime prevention and this year's message is anti drugs. With the help of podcasts created by Murdoch University School of Media, Communications and Culture, students will be required to digitally market the films online and on social media, with the most often viewed and most popular video from that organisation being entered into the state finals.

This program seeks to engage young people through a tactile and practical experience using media they are familiar and comfortable with. Like many other outer metro areas, Canning is increasingly faced by the challenge of illicit drug use among young people, with often the consumption of these substances leading to the committal of more serious crimes to support their habits. By young people putting these videos together to distribute among their peers, it is hoped that drug use will increasingly be seen as unacceptable and that consumption and any foray further into the murky depths of substance abuse will be discouraged. Registrations for the program close on 24 July 2014. I strongly encourage all schools and youth groups to register for this program. (Time expired)

Gasfield Free Northern Rivers

Mrs ELLIOT (Richmond) (16:27): This week the New South Wales state government is set to make a decision about mining company Metgasco suspension of their drilling licence at Bentley near Lismore. Many in our community have expressed concern that the New South Wales Liberal-National government could possibly backflip on suspension of Metgasco’s drilling licence. This morning hundreds of people returned to Bentley to highlight our opposition to unconventional gas mining on the North Coast. At the meeting, Gasfield Free Northern Rivers spokesperson Boudicca Cerese told the meeting, ‘Our message to Metgasco and the government is that our community is still here and we are still determined to keep our region gas free.’ She then invited everyone to sign a letter to New South Wales Premier Mike Baird and to local National Party MPs asking that this suspension remain in place. The letter will be delivered tomorrow at midday to the offices of National MPs Thomas George, Don Page, Geoff Provest and Chris Gulaptis and a delegation will attend a meeting of the Richmond Valley Council at 5 pm tomorrow. I understand the delegation is also going to Sydney and hopes to meet the Premier.

At this morning's meeting, National Party MPs were also strongly urged to represent our community rather than to continue to support the vested interests of mining companies like Metgasco. I also urge National Party MPs to stop your pro-CSG agenda, to stop ignoring the wishes of locals, to listen to locals and to act on community concerns. The community's view is very clear: uphold Metgasco's licence suspension, then cancel the licence outright, then declare the North Coast gas field free. (Time expired)
Connors, Mr Graeme

Mr CHRISTENSEN (Dawson—The Nationals Deputy Whip) (16:28): I am most fortunate to have constituents in my electorate such as country music legend Graeme Connors and his lovely wife Lyn, both of whom were born and bred in the North Queensland town of Mackay. After almost 40 years and having had his first album produced by Chris Kristofferson, Graeme Connors has produced 18 albums and received 14 Golden Guitars and an ARIA award, as well as numerous other singing and song-writing awards. Graeme's first major hit came 25 years ago with the song *A little further north*, which was inspired by feelings of homesickness when he was living in Sydney. Songs on the *North* album are powerful insights into his home town, Mackay, and the North Queensland lifestyle. The album certainly found broad appeal across Australia but there is a special connection for local in songs like *Let the cane fields burn, Mango shade* and *Cyclone season*.

To celebrate the 25th anniversary of the *North* album, which was voted the No. 3 best Australian country album of all time, Graeme Connors will be performing the album in its entirety at a special concert at the Mackay Entertainment and Convention Centre in Mackay on 11 July. He is also performing it elsewhere across North Queensland. Graeme has always been a great ambassador for the city of Mackay and for North Queensland through his music. I am sure his songs have inspired many cold southerners to 'head a little further north each year' themselves.

Greste, Mr Peter

Ms BRODTMANN (Canberra) (16:30): Today the Egyptian courts will hand down a verdict in the case of detained Australian journalist, Peter Greste, and his Al Jazeera-English colleagues, who have been through nearly six months of imprisonment and 12 hearings. For Peter, his family, his colleagues and his supporters, this has been six months of uncertainty and anxiety. Peter Greste and his two colleagues, Cairo bureau chief Canadian-Egyptian Mohamed Fahmy and producer Baher Mohamed, were detained by Egyptian authorities last December, charged with 'airing misleading news' about Egypt's political situation. They have been repeatedly denied bail and their case has been repeatedly adjourned. If convicted, the three face between three years and life in prison, and the prosecution has been asking for a sentence of 15 years.

Amnesty International has said that all three men are prisoners of conscience, imprisoned solely for the peaceful exercise of the right to free expression. The case of Peter Greste and his Al Jazeera colleagues has reminded us just how critical press freedom is and how lucky we are here in Australia to have genuine freedom of the press, a fact I am very proud of as a member of the MEAA.

Peter Greste left Australia in 1991 to pursue his dream of becoming a foreign correspondent. Since then, he has covered Afghanistan, Central Asia, the Balkans, Iraq, Latin America and now Africa, where he has lived for the last nine years. I note that, in the last 48 hours, the Abbott government has stepped up its diplomatic efforts. I commend them for that. I also commend the tireless efforts of our diplomatic officials in Cairo. Today, my thoughts and prayers are with Peter and his family and his two Al Jazeera colleagues and their families.

(Time expired)
Central Coast: 5 Lands Walk

Mrs WICKS (Robertson) (16:31): Last Saturday, thousands of people from across the Central Coast came together for the annual and spectacular 5 Lands Walk. A record crowd of around 17,000 people explored the '5 lands' along our coastline from MacMasters Beach to Copacabana, Avoca, North Avoca and on to Terrigal. The 5 Lands Walk is a celebration of all that it means to be Australian. Along each of the '5 lands', people were treated to a wonderful cultural mix of Indigenous dance and Greek, Chinese, African, Irish and Latino festivities. There is a real sense of connection cultivated by this annual walk. It is all about connecting people to people and people to place. I have done the walk several times and I have got many fond memories, memories that will last a lifetime. This year, the opening ceremony at MacMasters Beach Surf Life Saving Club was again disrupted as we turned mid-speeches to watch a whale breach the surface of the ocean. It was an absolutely spectacular sight. The 5 Lands Walk is rightly becoming one of the biggest tourism events of the year on the Central Coast. One of the reasons that the 5 Lands Walk is so successful is that it is run by a dedicated and passionate team of volunteers. Today I rise to honour and thank them for their commitment and vision, especially the executive committee members, including President Con Ryan, Tony Powell, Pauline Wright and Lindsay Cunningham, as well as the many sponsors, surf clubs and around 500 volunteers who work together to make the 5 Lands Walk such a unique and memorable event on the Central Coast calendar. (Time expired)

Shining the Light on Tax Dodging and Corruption: Australia's G20 Opportunity

Mr GRIFFIN (Bruce) (16:33): I have just been visited by representatives from Micah Challenge, who will be familiar to a number of members. They spoke to me about their new campaign, Shining the Light on Tax Dodging and Corruption: Australia's G20 Opportunity. I quote from their material:

"Developed countries must keep their promises to developing countries. North-South aid is still vital for many countries: it must be maintained, and increased wherever possible. But more than aid is needed to implement sustainable development worldwide. Developed countries… have special responsibilities in ensuring that there can be no safe haven for illicit capital and the proceeds of corruption, and that multinational companies pay taxes fairly in the countries in which they operate."

... ... ...

Christian Aid estimated that in 2008, developing countries lost more than USD 160 billion through just two forms of multinational corporate tax dodging – transfer mispricing and false invoicing. This figure dwarfs the amount that these countries receive in aid, which amounted to USD $120 billion in 2009.

If developing countries had access to these lost revenues and used them in the same proportions and for the same purposes as their current expenditures, Christian Aid estimates they could save the lives of around 350,000 children each year.

As the South African Finance Minister, Trevor Manual, said:

It is a contradiction to support increased development assistance, yet turn a blind eye to actions of multinationals and others that undermine the tax base of a developing country.

I urge the government to consider this issue very seriously in the lead-up to the G20 and to seek to raise the issue through that forum to ensure that there is a better understanding of the problems that relate to corporate tax dodging and the nefarious impact that it has on developing countries throughout the world.
Deakin Electorate

Mr SUKKAR (Deakin) (16:34): We are very fortunate in my electorate of Deakin to be so well served by a large number of sporting clubs, all of which make a valuable contribution to our community. One of these is the Yarra Ariels netball club, whose presentation evening last Friday I had the great pleasure of attending. It was a fantastic night, with players from under-11s through to the open category recognised for their achievements and sportsmanship. I again congratulate all the players on their accomplishments this season. I acknowledge the Ariels hardworking committee of management—President Gus Puopolo, Vice-President Rod Begley and Head Coach Christina Puopolo—who really are the rock behind that club. I also thank the other members of the committee and management—Janine Kilmartin, Rosie Foulion, Karen Black, Heidi Froelich, Caron Marks, Paula Barras, Jodie Taylor, Anna Coad, Jane Barry, Nicole O'Hare, Fiona Whitbourn and Dale Silver. Thank you to the Yarra Ariels for your commitment to promoting netball and encouraging young people in the Deakin electorate to be active and reach their full potential in the sport.

Blair Electorate

Mr NEUMANN (Blair) (16:36): Last Saturday I had the privilege of opening the NAIDOC festivities in Lowood in my electorate. I commend the Somerset Regional Council for their initiative. Last year was the first occasion on which they held those festivities to acknowledge the traditional owners of the land, the Jagera people. I was very pleased to be there and observe the great work done by the Kambu Medical Centre across the Ipswich and Somerset region and, in particular Lillian Garrett, the Manager of the Ipswich Children and Family Centre, a great organisation that provides mums and bubs programs and other types of programs for sexual health and dad training programs as well, particularly dads who need parenting skills in dysfunctional families. Sadly, in the current budget the coalition has cut the funding for that program. It was a $564 billion program that in government we announced through Minister Macklin and Minister Garrett. I have been to a number of them across the country—from Fitzroy Crossing to northern Melbourne, to Bridgewater in Tasmania and to Ipswich in my own electorate. These are great organisations. I urge the government to reconsider this particular decision. If you want to get kids ready for school, you need to address truancy issues early on. Preparing kids for school at a very young age involves mentoring, assistance and help for mums and dads. It is not just about getting truancy officers; it is about addressing those issues as well. (Time expired)

Macarthur Electorate: Champions of the West 2014

Mr MATHESON (Macarthur) (16:37): I rise today to congratulate John Warby Public School in Airds and Wizard of Oz Funland in Leumeah on their recent wins at the 2014 Champions of the West awards. More than 400 people, including Prime Minister Tony Abbott, attended the award ceremony, which was presented by NewsLocal, The Daily Telegraph and The Sunday Telegraph. I congratulate Principal Ann Kitchen and the John Warby Public School community on their school bus project, which won the Indigenous category. I also congratulate Brian and Christrine Laul, from Wizard of Oz Funland, who took out the tourism prize for their Celebrate Campbelltown campaign. Each of them received $10,000 for their projects. I was very honoured to attend the awards and proud to see these two winners receive their prize.
It was also fantastic to see Campbelltown Performing Arts High School entertaining the crowd and showcasing some of the great talent we have in Macarthur. The Macarthur region had 10 inspiring finalists for the awards—more than any other area in Western Sydney. These finalists included Camden Public School, for their canteen upgrade; Macarthur Workplace Learning Program, for Macarthur iCareer; Focus on Families, for Help for Multiple Mums; John Warby Public School, for its school bus initiative; Wizard of Oz Funland, for Celebrate Campbelltown; Youth Solutions, for its Peer Enrichment and Empowerment project; Tharawal Local Aboriginal Land Council, for the Tharawal Cultural and Arts Centre; The Tribute Australia volunteer magazine; Shine Early Intervention, for its sensory gym; and the Sydney Trail Riding Centre, for Horses Helping People.

I am very proud of all the finalists in Macarthur. I look forward to an even bigger representation from my electorate at next year’s awards, and hopefully we will be able to hold those ceremonies in the Macarthur region.

**Shortland Electorate: Surf Clubs**

Ms HALL (Shortland—Opposition Whip) (16:39): On Saturday night I attended the Swansea Belmont Surf Life Saving Club presentation night. Shortland electorate is very fortunate because we have a number of outstanding surf-lifesaving clubs with a fantastic record of keeping our beaches safe. On Saturday night I attended the presentation night. Awards were given to people who had represented the club at both a state and national level, and we also heard about the fantastic safety record at Blacksmithe Beach.

It is also very important to say that Swansea Belmont has a beach that has hosted both state and national titles. It is a surf club that has been very competitive over the years. It is a surf club that truly values the role that its volunteers play. Surf-lifesaving is one of the largest—if not the largest—volunteer movements within this country. The members of this particular surf-lifesaving club are dedicated. The Swansea Belmont Surf Life Saving Club is the focal point of the Blacksmiths community. It has the support of the whole of the region, and I commend it on its outstanding achievements during the season of 2013-14.

**Gifford, Mr Brandon**

Mr HOGAN (Page) (16:40): I have great news for you, Deputy Speaker, and in fact for everyone who is listening: I have met and personally know Australia's next Steve Irwin. Australia's next Steve Irwin is a Casino lad, Brandon Gifford. He has won the Australian Museum University of Sydney Sleek Geeks Science Eureka Prize—get this—for the third year in a row and has been offered a position as a research associate at the Australian Museum. Brandon was a Casino High School student last year. He said it was incredible to win the prize for a third time, as it gives him a greater opportunity to spread a message of conservation. He was ecstatic to have been offered a position that would allow a bigger audience to see his documentaries. Brandon won this prize for his documentary *Spectacular Spider*, which was filmed, directed and narrated by the year 12 student.

As I said, this is the third of Brandon's documentaries to win the prize. He looked at snakes and lizards in previous years. In fact, he did a certificate I and certificate II in animal care at Lismore TAFE with my daughter Bridget, and I can tell you that he is an absolute ball of energy. He is going to be the next Steve Irwin, I tell you. He said he was determined to portray the plight of the misunderstood spiders and hoped that viewers would grow to respect
them rather than fear them. He was more excited about communicating the conservation message to scientists and discussing how these three films have worked to promote conservation. He met Adam Spencer and Dr Karl at lunch last week, and— (Time expired)

Micah Challenge

Ms BIRD (Cunningham) (16:42): Like other members of the House, I have had the opportunity today to meet with a group from my local area who are participating in the Micah Challenge. I would just like to acknowledge Melissa Suddick, Kia Wallwork, Kylie Dundas, Kim John Mallari and Angela Owen, and they were also accompanied by Jocelyn Ly, from Parramatta. They came to talk to me about a very important campaign that they are running at the moment—which I hope people are familiar with because there has been a lot of activity in the parliament today—to shine the light on tax dodging and corruption.

The point they are making, which is a profound one, is that one of the best ways we could support the emerging nations and developing nations which need the opportunity to get education and health and to raise themselves out of poverty is to provide, through forums like the G20, the opportunity for developed nations to discuss the sorts of tax avoidance behaviours that major multinational companies are undertaking when they are operating in their countries. The recouping of so much more tax would mean that dependence on aid could be lessened. So it is a good initiative, and congratulations to those locals. I thank Micah Challenge for its ongoing good work.

Foreign Investment

Ms MARINO (Forrest—Government Whip) (16:43): The government and the Minister for Agriculture are to be congratulated in their efforts to develop an accurate and effective foreign ownership register for agricultural land, as promised in the 2013 coalition election campaign. This is a very important issue in the Forrest electorate and to the agriculture sector across Australia. I am very well aware of how important this is because the Forrest division has raised this issue repeatedly with the broader Liberal Party. It is great to see those calls being responded to by the coalition in government.

Of course, both domestic and foreign investment are vital to Australian agriculture and future opportunities. Much of the agricultural development historically in WA has happened as a direct result of foreign investment. If we are really to take advantage of the potential growth that is available in Asia in the 21st century, foreign investment will be a key part of that. However, as a sovereign nation, it is essential to know how much foreign investment there actually is. We do not oppose foreign investment—in fact, we encourage it. However, we need to know when and where it is happening. The purpose of the Foreign Ownership Register for Agricultural Land is to increase transparency—the one thing that will give far greater confidence is an increase in transparency—and to provide accurate information to the community and to policymakers in general.

Jenkins, Mrs Wendy

Good Friday Observance

Mr BROADBENT (McMillan) (16:45): in the first instance, I want to identify with the member for Scullin with regard to the death of Wendy Jenkins—Dr Harry’s wife and Harry Jenkins’ mother. They have made a great contribution to this parliament and to the nation. The loss of a mother would be a cause of great grief for their wonderful family.
I also want to identify with the words of Bishop Philip Huggins from Melbourne, who has decided that he is prepared to stand up and say publicly that he does not want AFL football played on Good Friday. I want to join him in that call. As Bishop Huggins said, this is the observance of the death of the living God, Jesus Christ, who actually changed the world completely, and we as a nation have addressed that observance by not having football on Good Friday.

As a child we were never allowed to play football on a Sunday. The world has changed and we have changed slowly with it. But I would put to you, Deputy Speaker, that Bishop Huggins is at least standing up for a group of people in Australia who are called Christians who want to observer that particular day. We may be, as called, a secular country now, but I put to you the importance of Good Friday and its observance by saying, 'We are not going to play AFL on Good Friday.' I support Philip Huggins and all who travel within him on his train of glory.

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

BILLS

Appropriation Bill (No. 1) 2014-2015
Consideration in Detail

Bill—by leave—taken as a whole.

The DEPUTY SPEAKER: The question is that this bill be agreed to.
Question agreed to.
Bill agreed to.
Ordered that this bill be reported to the House without amendment.

Appropriation Bill (No. 2) 2014-2015
Second Reading

Debate resumed on the motion:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.
Ordered that this bill be reported to the House without amendment.

Appropriation (Parliamentary Departments) Bill (No. 1) 2014-2015
Second Reading

Debate resumed on the motion:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.
Ordered that this bill be reported to the House without amendment.
Debate resumed on the motion:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.
Ordered that this bill be reported to the House without amendment.

Appropriation Bill (No. 6) 2013-2014
Second Reading

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

Mr GOODENOUGH (Moore) (16:50): I move:
That further proceedings on Appropriation Bill (No. 6) 2013-2014 be conducted in the House.
Question agreed to.

Health Insurance Amendment (Extended Medicare Safety Net) Bill 2014
Second Reading

debate resumed on the motion:
That this bill be now read a second time.
to which the following amendment was moved:
That all words after "That" be omitted with a view to substituting the following words:
"whilst not declining to give the bill a second reading the House notes that the bill is one of many changes the government is proposing that will increase the cost of healthcare"

Mr GOODENOUGH (Moore) (16:51): I speak in support of the Health Insurance Amendment (Extended Medicare Safety Net) Bill 2014, which amends the Health Insurance Act 1973 to set the general extended Medicare safety net threshold at $2,000 for individuals and families, from 1 January 2015.

The bill also makes some administrative changes, allowing the chief executive of Medicare greater flexibility in determining family composition for the purpose of paying benefits by permitting that the use of forms of communication, other than written correspondence, such as telephone contact.

By way of background, the EMSN was introduced by the Howard government in 2004. It provides an additional rebate for out-of-hospital Medicare services after an annual threshold in out-of-pocket costs for out-of-hospital Medicare services is reached.

There are two thresholds, namely, concessional and general. The EMSN concessional threshold is for concession card holders and families eligible for family tax benefit part A. It pays 80 per cent of the out-of-pocket costs or the EMSN benefit cap, whichever is the lower
amount, for out-of-hospital Medicare Benefit Schedule services, after a threshold of $624.10 per family or individual per calendar year is reached.

It is important that this bill does not make changes to this arrangement and that the threshold continues to be indexed according to the consumer price index. This ensures that those in most need in our community continue to be heavily subsidised. Those eligible for the concessional threshold include holders of Commonwealth seniors health cards, veterans healthcare cards and pensioner cards.

On the other hand, the EMSN general threshold is for non-concessional card holders and it provides for 80 per cent of the out-of-pocket costs or the benefit cap, whichever is the lower amount, for out-of-hospital Medicare Benefit Schedule services, after the current threshold of $1,248.70 per family or individual per calendar year is reached. Both EMSN thresholds are indexed annually by CPI, as specified in the Health Insurance Act 1973.

The bill’s administrative changes are centred around the expanded scope for the chief executive of Medicare to confirm family composition when a family has or is about to reach the extended Medicare safety net threshold. This part of the bill removes an unnecessary administrative requirement, enabling more timely payments of EMSN benefits to entitled recipients.

Currently, the Department of Human Services can only make a request to a person in writing for them to confirm their EMSN family status. This part of the bill removes the request by Medicare to be only in writing, allowing the chief executive of Medicare to confirm the claimant's family status at the time by other means, such as telephone contact. This allows Medicare EMSN payments to be made in a more timely manner.

This bill is projected to save the budget $105.6 million and is included in the forward estimates. In effect, this implements a decision taken in the 2013-14 budget by the previous government, so it is not new. The cost of health care is rising due to advances in medical treatment and care as well as an ageing population with greater longevity and lifestyle factors. The recent Commission of Audit report has projected that over the next decade Pharmaceutical Benefits Scheme costs will grow by 5.4 per cent per year; Medicare Benefits Schedule costs will grow by 7.1 per cent per year; and hospital costs will grow by 10.4 per cent per year. It is therefore important that the government ensures that the public health system is sustainable in the long term. Unfortunately, government resources only stretch so far, and the public health system is under a great deal of cost pressure. Therefore, it is essential to take responsible measures to keep the health system sustainable.

My predecessor, Dr Mal Washer, took an active interest in health related issues and worked very hard during his 15 years in this parliament to advocate for improvements in the medical facilities available within the electorate. As a result of his dedicated work, the people of Moore now have access to state-of-the-art health services available locally. The centrepiece of health and medical care in my electorate is the Joondalup Health Campus. With approximately 650 beds, it represents the largest health care facility in Perth's northern suburbs. Of these, 498 beds are provided for public patients and 145 beds for private patients. The hospital provides 24-hour acute care from an integrated public and private campus, which includes an emergency department, an after-hours GP clinic, and a day procedure unit. Specialist services include paediatrics, orthopaedics, renal, oncology, obstetrics, gynaecology and ophthalmology, to name just a few. In March 2012 the theatre block was officially
opened, which includes 12 operating theatres, twice as many as before; a nine-bed intensive care unit; a six-bed high-dependency unit; and a 10-bed coronary care unit. The new operating theatres are among the most advanced in Australia. They include four state-of-the-art iSuites with video and touch screen technology to enable surgeons to view and capture images from inside the body while they operate.

People living in Perth’s rapidly growing northern corridor will be able to receive all the health care they need at the Joondalup Health Campus, which provides an extensive range of in-patient, outpatient and emergency services. A comprehensive range of medical, surgical and maternity services is available on the campus, including cardiology; ear, nose and throat; gastroenterology; obstetrics; orthopaedics; palliative care; and urology. A complete range of diagnostic health care facilities is available on site, along with comprehensive pathology, radiology, pharmacy and allied health services. The emergency department is operated by qualified staff 24 hours a day, seven days a week, with extensive critical care facilities including intensive care and coronary care units which are staffed by an experienced team of nurses and medical practitioners. Other on-site facilities and services include a purpose-built mental health unit, including secure accommodation; dedicated day surgery and endoscopy units; and a renal dialysis service.

A second integrated state-of-the-art $20 million regional healthcare facility opened its doors in 2013, Shenton House. Centrally located directly opposite the Joondalup Health Campus on Shenton Avenue, it provides the first cancer care treatment centre in Perth’s northern corridor, with services including on-site radiation and medical oncology treatment as well as cardiology care and sleep studies provided by GenesisCare. The facility was developed as a joint venture between the Anglican Diocese of Perth, which originally owned the land, and Perth Radiological Clinic. Shenton House is licensed as a day hospital by the health department, with GenesisCare the only approved provider for a specialist medical centre in an area of need in Joondalup, introducing treatment options not previously available.

Perth Radiological Clinic operates an imaging department which occupies the entire first floor. It includes a state-of-the-art magnetic resonance imaging scanner, a cutting-edge low-radiation dose computed tomography scanner, a wing of ultrasound rooms, and a dedicated mammogram imaging suite. Cancer patients living in Perth’s northern suburbs will benefit from the new PET-CT scanner, which stands for positron emission tomography—computed tomography. The new state-of-the-art PET-CT scanner is a very important tool for the diagnosis and management of many forms of cancer, especially lymphoma, melanoma and colorectal cancer. It is the first scanner of its type in Perth’s northern suburbs and allows patients to have their scan done closer to where they live instead of travelling to Perth. Scans covered under Medicare will be bulk billed whilst scans not covered by Medicare will be performed at a discounted fee.

GenesisCare has invested more than $10 million on its premises, offering cancer care, cardiology services and the area’s first in-patient sleep lab. The linear accelerator and allied equipment, which produces X-rays directed only at the cancer cells, represent an investment of approximately $4 million. A second machine is due and there is room for a third. About 300 patients a day will use the cancer and cardiology services. It is estimated that one-in-three Australians will contract cancer at some stage in their lives. Improved access for cancer patients needing radiotherapy and cancer treatments will contribute to higher survival rates.
The provision of radiotherapy services in Joondalup means patients will avoid having to travel about 60 kilometres to Sir Charles Gairdner Hospital several times a week.

Advances in medical technology add to the quality of life of patients. However, there are significant costs added to the health budget by new treatments. The Medicare Safety Net ensures that individuals who reach the safety net threshold amount are paid an 80 per cent subsidy to minimise the financial burden and hardship. This is world-class in terms of granting public access to quality medical services at a heavily subsidised price.

In my home state of Western Australia, the state government is investing heavily in health care. Between 2008 and 2018, the Department of Health of WA is investing more than $7 billion in building new hospitals and improving existing health facilities, with support from the Commonwealth government and other partners. The flagship Fiona Stanley Hospital, which cost approximately $2 billion to build, is expected to be operational later this year. In addition, the $1.2 billion Perth Children's Hospital is currently being built on the Queen Elizabeth II Medical Centre site in Nedlands and will replace Princess Margaret Hospital as the state's dedicated children's hospital. The hospital will provide the best possible clinical care for future generations and will be the base for continuing WA's outstanding paediatric research.

In summary, the standard and quality of healthcare facilities available to the community has greatly improved over the years through new medical facilities being built, the advancement of scientific technology and breakthroughs in medical research. The cost of healthcare has also increased at a rapid rate as new revolutionary treatments are introduced and subsidised by the taxpayer. Faced with these considerations and an ageing demographic, it is the responsibility of government to ensure that the Medicare system remains affordable and sustainable for the long term. This bill is projected to save the budget $105.6 million and is included in the forward estimates, effectively implementing a decision taken in the 2013-14 budget by the previous government. I commend the bill to the chamber.

Mr NEUMANN (Blair) (17:05): I speak in relation to this particular legislation, the Health Insurance Amendment (Extended Medicare Safety Net) Bill 2014. When the member for Sydney was the minister for health and I was parliamentary secretary for health and ageing in the 2013-14 budget, we increased to $2,000 the general threshold of the extended Medicare safety net from 1 January 2015. The concession extended the Medicare safety net threshold and will be indexed as usual and will not be impacted by this particular legislation before the chamber.

In relation to this particular legislation, it has got to be remembered that the extended Medicare safety net was introduced to assist people with high out-of-pocket medical expenses. As the then President of the AMA Steve Hamilton said recently in a submission to the Senate Standing Committee on Community Affairs inquiry which was looking into this particular legislation:

The Extended Medicare Safety Net (EMSNet) was introduced to protect individuals and families from high out-of-pocket expenses when their need for medical services outside the hospital setting was unusually high. The EMSNet has helped many people access timely and affordable medical care, and is quite likely to have prevented downstream costs to the health system.

I noticed that National Seniors Australia, Michael O'Neill, in the submission to the same Senate Standing Committee on Community Affairs, said:
Research commissioned in 2012 by National Seniors Productive Ageing Centre revealed that 570,000 people age 55 years and over spend more than 10% of their income on health and about 250,000 spend over 20% of their income on health. Those with five or more chronic conditions spend $882 per quarter which is almost 6 times as much as those with no chronic conditions.

It is quite clear that Australians spend a considerable amount of out-of-pocket medical expenses each year. Often these costs are the difference between the fee charged by a medical provider for a service and the standard Medicare rebate received by a patient from Medicare. Medicare has historically subsidised a proportion of the Medicare benefit, MBS, fee for an out-of-hospital service with patients required to pay any higher amount the provider charges out of their own pockets.

Out-of-hospital costs are wide ranging. They include visits to GPs or specialists, services in private clinics and emergency departments, and a great many pathology and diagnostic imaging services. I note in that space, of course, the $7 co-payment that the current government is wanting to bring in in this budget with a saving of $3.5 million. That particular provision, it is estimated, will cost electors in my electorate of Blair about $6.4 million extra annually in terms of their medical needs. It will certainly have an adverse impact on my electorate and the health and medical costs issue for families and individuals in the electorate of Blair.

The Australian Institute of Health Welfare estimates that in 2011-12 out-of-pocket medical expenses were costing Australians $24.8 billion annually, or about $1,101 per person. Spending on medications account the lion's share of this $9.9 billion, followed by $4.7 billion on dental services and $2.9 billion on medical services. Out-of-pocket medical expenses are growing faster than any other health expenditure. The AIHW reported that between 2001-02 and 2011-12, these out-of-pocket expenses to individuals grew by 6.1 per cent in real terms compared with an average of 5.4 per cent for other expenditure.

The Extended Medicare Safety Net assists Australians to manage the often high costs of out-of-hospital medical services. Once spending on an out-of-hospital Medicare service exceeds the EMSN threshold in a calendar year, the Medicare rebate for these services increases to 80 per cent for the remainder of that calendar year. Subject to some capping, once the EMSN threshold is reached, eligible individuals and families get an 80 per cent discount, in effect, on their out-of-hospital Medicare expenses for the rest of the year. There are two levels. The concessional level assists Commonwealth concession card holders and family tax benefit part A recipients when their spending on out-of-hospital expenses reaches $624.10. Australians not eligible for the concessional rate must spend, currently, $1,248.70 before qualifying for the EMSN. That is called the general threshold.

Some background and history to this bill needs to be looked at. The EMSN was introduced in 2004, and its costs have increased. When the Howard government introduced the EMSN in 2004, it predicted it would cost $440 million in its first 3½ years of operation. In reality, it cost almost double that—$828 million—and this prompted the Howard government to increase the thresholds, both concessationally and generally, over the annual CPI increases. When Labor came into government, we took a consistent, reasonable and, I would suggest, equitable step to make the EMSN financially sustainable. We commissioned the Centre for Health Economics Research and Evaluation, based within the business facility at the University of Technology, Sydney, to review the EMSN, and they did a report confirming
that out-of-pocket medical costs were actually growing quite significantly. While some Australians faced relatively low out-of-pocket medical costs, for others they were high and growing. The review reported that, despite the Howard government's increases to the thresholds in 2006, people in higher income areas were more likely to consult specialists and therefore:

We found that some 55 per cent of the ESMN benefits were concentrated to the top quintile of Australia's most socially advantaged areas, whereas the least advantaged quintile receive less than 3.5 per cent.

So the Howard government got it wrong in relation to this. The review expressed concern that, while the EMSN had increased affordability of high-cost medical services by the wealthier people in the community, it had had far less of an impact in lower socioeconomic areas. So it was concentrated in high income areas. Over 50 per cent of the funding went to obstetric and assisted reproductive services. Only eight per cent funded general practice consultations. The review found that, although the EMSN had made medical costs more affordable for cancer patients—and that is welcome, of course—the benefit was far less for those with complex needs such as diabetes. The review reported that the benefits had prompted some health providers to raise their fees, and this diluted the potential benefits to patients. The review found that the average provider's fee had risen by 4.2 per cent over inflation since the introduction and that the EMSN had accounted for 70 per cent of this increase.

We responded to that review by placing caps on the benefit available to the particular services identified by the review to account for over 50 per cent of the funding—obstetrics and reproductive services. We added further caps in 2010 to maintain consistency between the existing capped items or following a cost-benefit recommendation from the Medical Services Advisory Committee. In 2012-13 the Labor government extended the benefit caps to about 500 out-of-hospital services, including all consultations, including allied health, 38 procedural items and some surgical procedures. The new caps were calculated on the basis of the MBS fee and provided a maximum amount of benefit payable for a Medicare Benefits Schedule item, regardless of the actual fee charged by the doctor, specialist or other medical professional.

We received further advice from the Centre for Health Economics—an evaluation review in 2011. That review indicated that capping had put the EMSN on a more sustainable financial footing, fixing up the problem caused by the Howard government, who got it wrong back in 2006. The following year the Department of Health and Ageing reported the expenditure. It once again continued to increase following the introduction of capped arrangements, lifting eight per cent from $342 million in 2010 to $369 million in 2011. This was subscribed by DoHA to significant growth in aesthetic services and particularly in operations. We responded to that by maintaining the financial stability of the system.

In the 2013-14 budget, we took a pretty difficult—but we thought necessary—decision to increase the general EMSN threshold from $1,248.70 to $2,000. I commend the government for taking up Labor's budgetary item in 2013-14 and carrying this out. We maintained threshold concessions so that those who require them the most—pensioners and low-income families—will continue to benefit from them. We took a principled decision on the basis of equity in relation to this issue. I wish the current government had also looked at issues of
equity and fairness in their current budget. That does not seem to have been a focus of their current budget, particularly in areas of health and ageing.

We means tested the private health insurance rebate also in relation to this space, and we reduced the rate paid to those on the highest income. That measure was forecast to save $2.78 billion over the forward estimates. I notice that some people opposite—including the member for Bowman who I might have heard talk about class warfare and all kinds of stuff when we did that—have not really altered what we were doing in relation to this space. They claim that the means testing of the private health insurance rebate would cause millions to drop out of private health insurance, but that was wrong of course. Over 120,000 people took out private health insurance in the six months following the introduction of means testing.

So we made some changes. We also did a number of things including the phasing out of the net medical expenses tax offset by 2019. In government we invested massively in health and ageing. We did the $4.6 billion dental reform package, we did some landmark reforms in terms of mental health and prevention—$2.2 billion—yet the current government seems to have adopted complete abdication of preventative health. They are getting rid of the Australian National Preventive Health Agency and cutting funding everywhere across the forward estimates in relation to preventative health programs in alcohol, drugs, tobacco et cetera.

This is a particularly important piece of legislation that we think was important as a budget measure. I commend the current government for doing it. It implements a policy decision of our government. It was a tough decision. It was a fair decision in order to maintain the financial sustainability of the health budget, and we on this side of the chamber are always the party of financial prudence.

Those opposite, in the last financial year, have increased the debt and deficit in this country. If you look at the Pre-Election Fiscal Outlook, there was $30.1 billion debt under us and under this mob it is $49.9 billion. They are the party of financial profligacy. We on this side made the hard decisions in health, private health insurance and the increase in the threshold that is here in this legislation. Those opposite always whinge and complain and carp, but the legislation before the chamber is an important but fair decision.

We protected those most at risk—low-economic status low-income families and pensioners—by the budget decision we made in 2013-14. The current government has picked up that point and I commend them for it. But they hit them hard at every turn in this deceitful and betraying budget, making health care more expensive and less accessible. Frankly, I think that is a shame, a tragedy and a disgrace. I commend them for this legislation but not for the broken promises on health cuts and taxes across the board.

Mr LAMING (Bowman) (17:19): This is one of the few Labor MPs who, when he runs out of material from his carefully prepared and rote read speech, actually gives it a go from behind that lectern. He just keeps talking for another couple of minutes at least to avoid the embarrassment of being a shadow spokesman who cannot even get to his time. This is a person who has been highly critical of Howard government initiatives, like the Health Insurance Amendment (Extended Medicare Safety Net) Bill 2014, which actually gives us the finely balanced public and private health system that we enjoy today. To hear him quoting Private Healthcare Australia talking about projected losses from private health insurance belies the fact that tens of thousands of people downgraded their private health cover.
Everyone in this room knows the extraordinary pain that privately insured Australians have been subject to as a result of Labor's nickel-and-diming of the private health system.

But today, we talk about the Extended Medicare Safety Net. This is one piece of elegant social policy, that takes on probably the most challenging part of health costs and health inflation, and yet hits up against those two barriers that we all learn about in economics 101—those are moral hazard and adverse selection. They are the two challenges for this policy. It is not easy. But, of course, it is easier if you are a Labor speaker. You can just gloss over everything. You can go on about how Liberals are bad for poor people and that kind of simple, visceral argument that most people have grown tired of.

In the main, Australians are hardworking, engaged people, caring about their health and education. They want a system that gives them choice. The Medicare safety net and the extended safety net do just that. It says to people that regardless of your background, whether you are a concession holder, a family tax benefit recipient or simply a general recipient, there is a threshold there for you after which 80 per cent of your out-of-hospital Medicare item related expenditures will be covered by the government. For Labor to slither in here and say to you 'Poor people did not benefit enough' belies the fact that 50 per cent of procedures—at some cases more—are done in the public hospital system where there is no out-of-pocket expense. It is for people who accrue an out-of-hospital expense on a Medicare related issue.

Medicare is used as a formula to fund a public hospital. By definition, you do not have an out-of-pocket expense when you go into a public hospital for admission. Therefore, it is not of any great concern to you. The extended safety net is there when you accrue general practice, pathology, radiology and out-of-hospital expenses in the private sector. By definition, if you are privately covered, you will accrue more of them. If you only visit a bulk-billing doctor and a public hospital, you will not accrue many out-of-pocket expenses. The average person will accrue around $50 a year. You do not even get to the safety net to begin this discussion about an Extended Medicare Safety Net. So please do not believe the rubbish that Labor peddles in here about rich people and poor people.

The reality is that we know about 11,000 Australians do hit that horror figure of $2,000 out-of-pocket health expenses. For all the elegance and the brilliance of the Australian health system, we still do have a significantly larger out-of-pocket issue than many European countries. That is made up for with a generous welfare system. We always have to be mindful of out-of-pocket expenses. So the Extended Medicare Safety Net of March 2004 was really born of the then health minister Tony Abbott, who found a solution to these periods in the life cycle where health expenses are out of control. They may include cancer, diabetes, assisted reproductive technologies and, of course, having a baby. So many people elect to have a baby in the private sector and find these enormous out-of-pocket expenses. For following years those simply did not occur. It is an excellent way of solving that very specific problem.

But what did we discover? The previous speaker did allude to this. We discovered something called provider leakage—that is, of all the money provided through the safety net system, how much ended up in whose pocket. In the game, we call that tax incidence. We realised that, for certain areas that consumed half of the safety net, about 78 per cent of it was going straight to doctors. This brings up the issue of moral hazard. This is that communication across the table that none of us is ever really present at, unless it involves our own health. This is where a doctor will say, 'This is going to be expensive, but there's a safety net there so
I don't want you to worry. Once we go over this element, virtually all of it is paid for by someone else, your neighbour, the guy down the road or the government. That is why the 80 per cent element was there: to try to retain some form of price signal for the patient. But, of course, what we found over time was that those initial estimates that it would remain at about $400 million over the forwards reached $400 million a year. It was just growing in a couple of those specific areas, as I mentioned, particularly obstetrics and ART. It is okay to do all the analysis about who was benefiting from the safety net, but I want to tell you something clearly. When you get out of bed you do not say to yourself, 'Not much on today. I don't mind going down to the hospital to accrue some out of pocket.' That is not the way I would like to spend my day. People do not say, 'I would rather not watch the State of Origin. I would rather go down and see how much money I can rip out of the health system.' People in hospitals are there for a reason. They are there to give the best possible care this country can deliver.

So whenever we pause for a moment and look at our out of pockets, let's remember that this is not something we enjoy spending. It is not something that is put onto a credit card and you are told to go for your life. The issue here is the one that I have mentioned.

The second point is the adverse selection. This was the risk that in just a couple of areas we had a real hint that in particular postcodes, for instance, there was a ballooning of these expenses and there was very little means for the government to contain it. There are two solutions to that adverse selection dilemma. The first was Labor's approach, and the second is ours, with this legislation today. Labor's approach was simple. It talked about chopping off and putting hard limits right across sectors, regardless of the people involved and regardless of what was happening. This caused enormous pain for people who were going through IVF. None of us for a moment want to contemplate the notion that we would ever ration IVF for a needy couple. The reality is that we are virtually the only country that does not put severe age restrictions on IVF nor limit how many cycles people can attempt. Virtually every other country does this. So it is already a very generous system.

But the point is that if this is being consumed, if it is consuming a quarter of the extended Medicare safety net, then clearly it was just going straight out of the government's hands and straight into the pockets of providers. I appreciate that delivering health care is expensive, but that argument that there has to be some form of equality across the sectors was important.

I note that previous speaker very elegantly summarised the overview of the 2009 report. He virtually got it word for word. It sure helps when you are reading notes. But whether you have diabetes and accrue $369 of expenses on average or cancer at $1,000, the whole point of this system is that you need something way more nuanced. You need the ability to identify where you are getting provider leakage, and then to act. The bill simply says that a minister can keep a watching brief through the department on movements that are often quite fast within the provider community in health, and actually act with an instrument that is very similar to a disallowable instrument. Parliament has the opportunity to disallow. It sits over on the other side for the required number of days and gives everyone the chance to see whether or not they agree. That allows you to crack the walnut without a sledge hammer. Just pick up that one little area where there is concern, when we are overviewing through a professional services review how the money is spent, and get it fixed. It is a nuanced solution.
But let no-one on the other side of the chamber traduce the idea of a Medicare safety net, because that is one of the great reforms, after Michael Woolridge's 1990s private health insurance reforms, that have shaped the nation. It disappoints me somewhat that the Labor Party is always stating that they are the guardians of the health system, but when they are in power it is fascinating how little they can do with the health system, and how all the problems that were challenging us and just evolving in 2007, like the Medicare safety net blowouts, are still there for us to catch when we come back into power. So for all of the protestation about how much you love and care for the health system, this is a party that can nickel and dime private health insurers and make life tough for them, and go to eye surgeons and cut their rebate in half for no good reason whatsoever—only to have it backflipped again when Kevin Rudd, was it, was trying to survive as Prime Minister. He said 'Jettison the barnacles. Find me a solution to this one.' Lift the health minister out of the red zone because he is being beaten up by a tiny band of eye surgeons who are saying, 'For goodness sake, what are you doing to blindness when you halve a cataract rebate.' This was Labor's reform at its heart. Just halve a rebate. That seems like a quick way to save some money.

This is how you have a better working health system and you save the money at the same time. It is a system that allows people still to get access to health services but does not let individual sectors get away from us. There is a certain conflict for me, as a former specialist. But to be honest, we do not exist in a world where we set the price and everyone has to pay it. It is not that simple. In city areas where there is plenty of provision of services and there are plenty of specialists like me, of course they are looking over their shoulders seeing who is charging what. There are plenty of mechanisms and competitive tensions around price, even for a doctor.

The second point is that there is communication between doctors and patients and the receptionist at the front desk all the time about price. So don't for one minute believe the Labor rhetoric that this is just doctors charging whatever they want. Sure, there were areas where people knew that the Medicare safety net was going to cover 80 per cent of the expense, but this is the solution: an ability to individually isolate an item or a sector and address it. That is what will actually save us more money in the Medicare safety net, to make it more generous in the future.

Before I sit down it should be mentioned that we have reduced those thresholds for eligibility down to $600, $700 and $1,000 respectively. It is a small, but not insignificant, thing in the budget that has not received enough attention. That will make it even more certain that people who have these precipitous expenses can be looked after by the Medicare system.

We can bat backwards and forwards who is the best friend Medicare has ever had, but one thing is for sure: we have found that over the last six years there were a lot of abortive attempts at improving the health system which really led to nothing. In this bill—and I commend it strongly; I am delighted to see the other side supporting it—we have a common sense, targeted approach to a piece of legislation that has served this nation well. I hope the extended Medicare safety net will continue to help.

Ms **HALL** (Shortland—Opposition Whip) (17:30): This bill increases the general extended Medicare safety net from $1,248.70 to $2,000. It is what the government reports as a savings measure and will save $105.6 million over four years. It is included in the forward estimates from January 2015.
The fact it is reported as a savings measure says a lot about this government's approach to health care and Medicare. Its approach is to save money. It is not an approach of delivering quality health care to Australian people. It is not about putting in place the best health system we could possibly have in this country. It is not about saving health dollars by putting in place a strong preventative health program. It is not about designing a health workforce that will be there to cope with the needs of Australians into the future. Rather, it is about saving money. It is about cutting costs. It is about the budget bottom line and it is very short-sighted.

Often, cuts lead to poor health outcomes. I think the government will be surprised at the poor health outcomes that come from their GP tax, for instance. That $7 GP tax is going to act as a disincentive for Australians to attend their doctor—to go along and see their doctor when they are sick—as it is well noted that price is a determining factor in whether or not a person attends their GP. When this threshold is lifted, it means people will incur a greater out-of-pocket expense before they can get assistance.

This government does not understand how hard it is for families, pensioners, students and all those young people out there just getting started to make ends meet. It is only once that gap in expenditure exceeds $2,000 that a person will be able to make a claim. If you are a pensioner, it is at a lower level, but currently you still need to have an out-of-pocket expense of $624.10—and that will also be increasing. That is a significant amount of money for a pensioner to have to pay; and $2,000 is certainly a significant amount of money for a person who has young children, and is struggling to make ends meet, to pay.

On Saturday I held a Medicare rally in Shortland electorate. I was supported by the member for Newcastle, the member for Charlton and a surprise attendee, the state member for Swansea, who subsequently put out a media release saying that the GP tax was bad policy. He is a Liberal member and he condemned the Abbott government. He says the NSW government opposes this move because it is bad health policy. It means that people will have a greater out-of-pocket expense and instead of going to the doctor, they will get sick and not take their medications.

There have been studies undertaken in relation to the impact of out-of-pocket expenses. A recent report from the New South Wales Department of Health indicated that 15 per cent of people in New South Wales skipped a medical appointment, tests or medication due to cost, and 23 per cent reported spending more than $1,000 a year on health care out-of-pocket expenses. It is important to note that internationally Australia ranks fifth highest for out-of-pocket healthcare expenses among OECD countries. The highest out-of-pocket expenses are pharmaceutical, followed by dental and then doctor attendance—in the order of just over $2 billion.

It is bad policy to put in place a measure that is going to lead to Australians not attending the doctor because one of the best ways to manage healthcare costs in Australia is to keep Australians healthy. In an era when we have increased obesity and a rise in diabetes, and new approaches to treating cardiovascular disease and cancers, it is important that people undertake treatments early and in a sustained manner. If a person fails to undertake the treatment that they need, then they will become sicker, and lifting the threshold is going to increase the costs to individuals. That means a family will incur an extra $751.30 out-of-pocket expenses before they are eligible to claim on the EMSN.
Deputy Speaker Jones, I do not know about your electorate or those of members on the other side of this parliament, but I know that we on this side of the parliament have been lobbying vigorously. In addition to the GP tax and other aspects of this budget, over a long period of time one of the most common issues raised with me by my constituents in relation to health is out-of-pocket expenses. What we are saying to them is, 'You have to pay more. Your out-of-pocket expenses have to be even greater before you get any assistance from the government.' In actual fact, as well as lifting the safety net, the government is requiring—is set to legislate—to have doctors charge a $7 GP tax each and every time a person visits them and that is going to increase the out-of-pocket expenses. That is going to make it harder for people to attend the doctor.

The rally that was held on the weekend—and I have mentioned this a couple of times already in the parliament today—was attended by 500 people. The thing I found most overwhelming was when the Assistant Minister for Health asked, 'Who in this crowd has never been to a rally before?' and 80 per cent of the people raised their hands.

I was particularly moved when an 87-year-old lady came up to me at the start of the rally and said, 'I have never been to a rally in my entire life. This is a first for me. But I feel so strongly about having to pay more for medical expenses. I feel that, if I go to the doctor and I have to pay this GP tax on top of all the other things that I have to pay, including my medication, I'm just not going to be able to cope financially.' She was a sprightly 87-year-old with one of her friends from the retirement village she comes from. Just as I was leaving the shopping centre at the front of the Belmont Medicare office, which the Labor government reopened after the Howard government closed it, a gentleman came up to me who was 92 years old. He had never been to a rally before in his life. I will have to well and truly admit that the 96-year-old who came up to me on the foreshore had been to many a rally in his lifetime. He was there being as active as he always was, saying no to the Medicare tax.

What I am trying to do here is create a picture of people in my electorate—and it is an older electorate—who feel so strongly about out-of-pocket expenses and the impact that will have on their lives and on their health. People like that man and that woman are prepared to come out. As well as having elderly people attend the rally, we had families and young people. A really broad cross-section of society attended our rally and march on Saturday.

The march went from the shopping centre where the Medicare office is and around the corner to a set of lights. I was at a function on Saturday night and one of the business owners said to me that she could not believe the number of people who had turned up. This was just in the suburb of Belmont in the Shortland electorate. People had come from other areas within the Hunter and the northern part of the Central Coast, because they were so concerned about the increase in out-of-pocket medical expenses. That is what this legislation is about: increased out-of-pocket expenses.

Another interesting speaker that we had at the rally was an accident and emergency nurse from Belmont Hospital. He stood up and expressed his concern about the fact that the GP tax, the extra out-of-pocket expense that people would pay in the community that he works in—the community that I represent—would lead to an increased number of people presenting at the accident and emergency department at Belmont Hospital. I believe that is a real concern. It will lead to the system being clogged. It will lead to people having to wait a very long period of time if they are going to access the services of the accident and emergency department.
There has also been talk that the government is thinking about a hospital tax—charging $5 for a person to attend the accident and emergency department.

This is really difficult for people to come to terms with in the area I represent. I see the member for Paterson joining us here. I say to him that I had one of his constituents travel over two hours by public transport to visit me to raise issues around the increase in health costs—he is on a disability support pension, his wife is on a disability support pension and their daughter has been seeking medical assistance at the John Harper hospital. They came to see me because they are so concerned about the impact the out-of-pocket expenses will have on them. To be prepared to travel for two hours via a public or private bus company, as these people did, shows what a concern the increases in medical expenses are to people in the community.

I say to the government members here in the chamber that you might think I am just a member of the opposition standing up and rabbiting on about the impact of this $7 GP tax. But, believe me, they are real people out in the community that are going to be hurt by it. They are real people that cannot afford to pay this. This is going to have an adverse health impact on our community. Please, stand up in your party room, talk out against it and support the people that you have been elected to represent in this parliament.

Mr BALDWIN (Paterson—Parliamentary Secretary to the Minister for Industry) (17:45): I rise today to speak to the Health Insurance Amendment (Extended Medicare Safety Net) Bill 2014. I rise for the people in my electorate who have experienced frustration from the health system, the people who have endured the hardship through the many years of Labor’s mismanagement of our health system and the people who need the help the most but who were made to suffer the most inhumane experiences to access the health system.

I cannot believe I just listened to a speech by the member for Shortland, which typifies the hypocrisy that occurs with Labor. She attacked this bill. But this bill was a Labor budget measure put in the last Labor budget. I did not hear one single word from the member for Shortland after that Labor budget on those measures. But here today she criticises this government for implementing a budget measure put into place by the former Labor government.

This bill will amend the Health Insurance Act 1973 to increase the general extended Medicare safety net thresholds and introduce minor administrative changes. These measures are a significant change to the Medicare system. It is important to note, as I said, they were a commitment taken by the previous Labor government in their last budget. As I said, to hear the member for Shortland blame us for this situation is hypocritical to say the least. She should come in here and apologise to the people.

The previous Labor government put this measure in place to save $105.6 million and it was included in the forward estimates, so the current government is compelled to implement this change or make cuts in other areas. It is because of the financial system that was bequeathed to us by the former Labor government that we have no choice but to implement this change. We would not be in this situation if Labor had not left us in such an awful deficit position. The debt is mounting by $1 billion a month just in interest payments.

Families would not have to reach into their already stretched household budgets to fund essential treatments and keep their families healthy, pain-free and, in some situations, alive.
As I said, it was implemented in the final Labor budget. For the member for Shortland to come in here has proved again she is nothing short of a hypocrite who will say and do anything to satisfy the needs of her constituents without telling the truth. I know Australians are already finding the current budget situation tight but we did not push this bill forward.

An opposition member interjecting—

The DEPUTY SPEAKER (Mr Ewen Jones): You will have your chance.

An opposition member: It is unparliamentary. Ask the member to withdraw.

Mr BALDWIN: I did not call her a liar. I said she did not speak the truth.

The DEPUTY SPEAKER: It was unparliamentary language.

Mr BALDWIN: The truth is not unparliamentary. Calling her a liar would be unparliamentary.

The DEPUTY SPEAKER: It would assist the House.

Mr BALDWIN: I will withdraw. But I can almost guarantee that this member who just raised an objection will blame the government for this bill yet it was their measure put into place with their last Labor budget. I know Australians are already finding the current budget situation very tight but we did not push this bill forward. We would not be in this position if Labor had not gone on a reckless spending spree before realising that it would all have to be paid back with money eventually. Now everyone, every Australian, has to share the load. We need to work hard to pay the bill that Labor has left us. It is the only way we will be able to get back into the black. It is unfortunate that Labor decided to select the most disadvantaged group of all of them.

The basics of this bill include the fact that there are two Extended Medicare Safety Net thresholds: the threshold for Commonwealth concession card holders and the general threshold for all other Australians. From 1 January 2006 the concessional threshold increased to $500 and the general threshold increased to $1,000. The thresholds are indexed to the consumer price index at the start of each calendar year. In 2014 the concessional threshold was $624.10 and the general threshold was $1,248.70. As announced by the previous Labor government in the 2013-14 budget, the general threshold of the Extended Medicare Safety Net will be increased to $2,000 from 1 January 2015. The concessional Extended Medicare Safety Net threshold will be indexed as usual and not be impacted by this bill.

This bill is believed to contribute to a more sustainable Medicare system. This was the Labor plan. So, again, for the member for Shortland—whom we did not hear a peep out of after the last budget—to come in here and make such statements is moronic hypocrisy, and she should pack her bags and go home. Under the Medicare system, once the relevant annual threshold has been met, Medicare will pay for 80 per cent of any future out-of-pocket costs for Medicare-eligible out-of-hospital services for the remainder of the calendar year. The Extended Medicare Safety Net will then provide my constituents and their families with an additional rebate for their out-of-hospital Medicare services once an annual threshold of out-of-pocket costs for out-of-hospital services is reached. These out-of-hospital services include GP and specialist attendances and services provided in private clinics and private emergency departments.
These measures will impact on the lives of constituents in my electorate who desperately need assistance and medical services—people like Suzanne Robertson. Suzanne is a constituent who lives in Forster, on the north coast of New South Wales, who contacted me for assistance on in-home day care following issues accessing help from other avenues. Suzanne is the mother of two little boys, Alec and Oliver, who are struggling with a condition known as twin-to-twin transfusion syndrome. Right from the beginning of their lives they struggled to reach any of their developmental milestones. Both boys required intensive physiotherapy, speech therapy and occupational therapy just to get them to the stage that they are at today.

Oliver has been diagnosed with auditory neuropathy, global learning delays, congenital hypothyroidism, sensory modulation dysfunction, macrocephaly, mild cerebral palsy, a mild intellectual disability, possible mild autism and hypotonia and is profoundly deaf and has pronating flat feet. Oliver had his first cochlear implant in March 2011 and is on consideration for his second cochlear implant. But, due to his auditory neuropathy, this may not happen. On a weekly basis alone, the schedule consists of sessions with a speech pathologist, occupational therapist, physiotherapist, teacher of the deaf, Auslan tutor and support teacher and cochlear implant habilitation and mapping—the list goes on and on. His brother, Alec, was diagnosed with global learning delays, sensory disorder, hypotonia, insecure attachment disorder and pronating flat feet. He has weekly therapy sessions with a physiotherapist, a speech therapist and an occupational therapist. Up until recently Suzanne had a carer who was able to assist her with the boys and the therapy sessions, even helping the boys with socialisation. But, over the years of Labor power, more and more was taken away from this family, including their carer. I had to go begging to the minister each and every time to get the carers replaced and the contracts continued for this family.

Having the carer around helped Suzanne, as she knew there was someone there to help her who was almost a part of the family. It was a huge relief to her with the heavy load that she carried. Her load became increased when the carer was taken away. Because of the lack of funding, these therapies can cost Suzanne up to $251 a week, without factoring in the cost of regular travel to Newcastle and Sydney and Oliver's specialised equipment needs. Suzanne says that she spends at least three days a week in her car travelling to specialist appointments in Newcastle or Sydney as the specialists either do not exist in the Forster area or charge outrageous prices. Factor in a car breakdown and the mounting medical bills and you can see that the system has left Suzanne in a very dire position. Suzanne's kids are sick and need more assistance and management than standard hospital care can provide. They need ongoing support for out-of-hospital costs so that they can continue to improve their quality of life whilst dealing with their illnesses.

Another part of the amended bill is the increase in the levy. This increase is not new, nor was it introduced by this government. The increase was announced by the previous government in the 2013-14 budget, when it was announced that the general threshold of the extended Medicare safety net would be increased to $2,000 from 1 January 2015—more costs for an already overburdened family.

Another family that will not benefit from the change in the increased levy and out-of-hospital services is the Weir family. Earlier this year I met this amazing family when invited by my constituent and their grandfather, Chris Walker, to join him and his grandsons, Jordan
and Logan Weir, at the Rare Disease Day 2014 BBQ lunch. The brothers were born with the rare disease, X-Linked Chronic Intestinal Pseudo Obstruction, which affects the gastrointestinal tract and its ability to absorb or propel food and nutrients. As a result, Jordan and Logan cannot eat or drink and are machine fed an intravenous solution, Total Parenteral Nutrition, 18 hours a day.

They require considerable care at home, including care and drainage of the intestinal tubes, central line care, parenteral nutrition administration, frequent hospitalisation for care and complications of the central line as well as medical and nutritional monitoring. The risk of life-threatening central line infections for these young boys is extremely high. Jordan and Logan need a safe area in which to play during the time they are connected to these machines. It is a full-time job for the family to look after these boys in a hospital environment within their own house. The whole family—parents Brooke and Michael, grandparents Chris and Tanya and Brooke's sister, Katie—is involved.

I supported this family earlier this year as they, in coordination with a local gym, held a charity fun run to raise funds. People in the community came on board and provided assistance to help adjust their backyard so that the boys had a safe environment in which to play. But more needs to be done. These boys do not have a cure so we can only assist with helping them with out of hospital service costs. This family was abandoned by the Labor government. They had to take control of their financial state and organise charity events just to support these children. If only the Labor government had taken control of their own financial ineptitude and organised a solution.

I have received many emails on this issue from many constituents with differing situations. These range from premature babies with illnesses from the birth to the elderly who are dealing with chronic diseases that have plagued them their entire life. Remember: this is the Labor government that took away the Medicare Chronic Disease Dental Scheme, which provided much-needed support, particularly in regional areas where people could access services locally.

I acknowledge that many people feel that the budget is going to be tough on Australian families, the sick and the disabled—indeed, on every Australian. But the untruths being peddled by Labor, the ones who got us into this massive black hole of debt—are beyond the pale of reality. They continue on with their mantra chant about pensions being cut. Pensions are not being cut, concessions are not being taken away and health care will not be killed off. This is a Labor government who will do one thing, say another and then blame someone else for the situation they got this country and this system into. As I say, I tire of the hypocrisy coming from the bench opposite for the problems that they have created and the solutions that they put forward. They take no care nor responsibility for their actions. They are to be condemned for their actions.

Mr STEPHEN JONES (Throsby) (17:58): It is a pleasure to be speaking on this bill, the Health Insurance Amendment (Extended Medicare Safety Net) Bill 2014, and to be following two MPs from the Hunter Valley, the member for Paterson, who directly precedes me, and the member for Shortland. I had the great pleasure of visiting the Hunter Valley on the weekend and joining with them and many hundreds of members from the local community in a conversation about the future of health care in this country.
We are in the midst of a national debate about how we organise and how we fund our health system. The unfortunate thing about this debate is the way the government is handling it, because the process is almost as confused as the policy itself. It is almost like we have a sheet of salami so long and we are slicing it up into little bits and throwing a few of those little bits into the parliament every month or so. Nowhere does the parliament have the opportunity to have a debate about the policy changes as a whole. It was this concern that moved the member for Ballarat to move amendments in her speech in the second reading debate to ensure that debate on this bill encompassed a debate on all of the government's proposed changes to the health system. I seek to direct my contribution this evening to those changes.

I see the member for Paterson has left the chamber. He talked about the alleged untruths that were being spoken in relation to the government's budget proposals. I am quite sure that he was not referring to his own parliamentary colleague, the member for Swansea in state parliament, who said, when I was in the Hunter valley on the weekend, that he did not support the federal government's changes. He said he opposed them, because he thought they were bad for the health system. I am quite sure the member for Paterson was not referring one of his Liberal Party colleagues as one of those people telling untruths. I am also quite certain that he was not referring to the New South Wales Liberal Party Treasurer, Mr Andrew Constance, who said, when he delivered the New South Wales government's budget last week:

There is no point pretending that the broken agreements of the Federal Budget won't hurt the people of New South Wales.

It is quite clear that they will hurt people in New South Wales.

The table in the document I have here, the state government budget papers, tells the story. You have a slippery dip going in one direction, and a table in the other. Quite clearly, the Treasurer is concerned about the cuts to hospitals—about $3 billion worth of cuts to hospital funding in New South Wales. The state member for Swansea is concerned about that. Obviously the member for Paterson does not share those concerns.

The process that we are dealing with is as confused as the policy itself. The government is attempting to sustain an argument that the costs in the health system are out of control, that this is a recent discovery and that these steps need to be put in place otherwise the whole thing is going to collapse. We have heard the Prime Minister, the Treasurer and the Health Minister oft quote: '10 years ago Medicare cost around $8 billion a year, and today it costs closer to $20 billion'—I think it is around $18 billion to $19 billion, but we will not quibble over that. 'The PBS 10 years ago cost $5 billion; today it costs $9 billion.'

Those figures, left alone, have a seductive force. But, when you interrogate them, you begin to understand that this is tosh on stilts. It is absolute tosh on stilts. I had a look at it, and the only valid test of whether health costs are in control is to have a look at the percentage of cost as a proportion of the overall government outlays. That is the only true cost. If costs are running out of control, you would expect there to be an intense disproportion in the growth of health costs as a percentage of overall government outlays.

So I had a look at this. In 2003-04, Medicare was costing around 4.8 per cent of total government outlays. If the costs were running way out of control, if we had a budget emergency, you would expect to see a figure that was maybe three, four or five times that number. But, when you look at the percentage of government outlays for Medicare in 2013-
14, what is it? It is 4.6 per cent. That is actually 0.2 per cent less than it was in 2003-04. So, far from seeing health expenditures at emergency levels, they are 0.2 per cent less than they were in 2003-04 as a percentage of total government outlays.

I wanted to see whether the Medicare expenditure was a complete anomaly when compared to the PBS expenditures. If we saw an emergency in terms of our healthcare spending, you would expect that our PBS figures, as a proportion of government outlays, would be five, six or seven per cent more than they were 10 years ago, because this is the reference point that the government uses. In 2003-04 the PBS as a proportion of government spending was 3.2 per cent. What is the figure today? It is actually a percentage point less—2.3 per cent. It has dropped almost a complete percentage point as a proportion of government outlays. So this massive scare campaign—this tosh on stilts—that the government is seeking to execute its argument to radically overhaul the whole policy arrangement and funding arrangements through our healthcare system is nothing more than a complete beat-up.

They often like to present themselves as the team that are able to find savings and present Labor as the team that are unable to find savings either in our health budget or in any other part of our budget. It is a damn shame that the member for Paterson did not wait around to hear some of these contributions, because I am sure he would have liked to know that if you look at the big health saves, if you look at the big savings that the government is finding in its health portfolio in the 2014-15 budget, they are actually initiatives that were introduced by the former Labor government. The heavy lifting is in initiatives that were introduced by the former Labor government.

The biggest, of course, was the accelerated PBS price disclosure, which will find about $3.8 billion worth of savings over the forward estimates. Nowhere did I hear the member for Paterson or any of the other government speakers refer to that Labor government initiative in terms of their overall health portfolio saving. The other area you might like to look at, Deputy Speaker, because it is one of the fastest growing uncapped areas of health expenditure, is the private health insurance rebate. We fought tooth and nail against members opposite when we introduced that legislation to means-test the private health insurance rebate. People like me on good salaries do not put an overburden on the tax expenditures of the Commonwealth because we can afford our private health insurance, and we do not need a tax expenditure from the government to enable us to do that. They fought tooth and nail against us doing it. They bagged $2.8 billion worth of savings over the forward estimates because of this initiative alone. So there will be $6.6 billion worth of savings from these two initiatives alone.

Now, let's stack that up against what these heroes of financial rectitude are doing, because if we had a crisis in our health expenditure, and if this is the team to fix it, you would expect to see some sense in their policy prescriptions and their funding arrangements. If the co-payment—the GP tax—were truly a measure introduced to inject more revenue into the Medicare system, you would expect the revenue from the GP tax to be flowing back into the Medicare system. That would be a logical move. It would be one that we would oppose, but it would be a logical move. You would say, 'Okay, this is a genuine co-contribution.' We call it a tax because if it were a genuine co-contribution the revenue would be going towards funding the Medicare Benefits Schedule. But it is not going towards funding the Medicare Benefits Schedule; it is going to fund a cause, albeit a worthy cause—medical research. So it can be seen as nothing more than a hypothecated tax. It has got absolutely nothing to do with
rectifying this false crisis that they have invented because, quite frankly, they just do not support Medicare.

That is the first problem with the GP tax. The second conceptual problem with the GP tax is that it is built on a false assumption. Everywhere you look there are false assumptions. They seem to think that people are visiting the doctor too often. They seem to have this theory that there are a whole heap of people who are bored and lacking reading material out there, and they are rushing down to their bulk-billing doctor so they can catch up on back issues of *The Australian Women’s Weekly* and *National Geographic*. Nothing could be further from the truth. Deputy Speaker Griggs, you and I know that in this day and age, when people have to put in place childcare arrangements, get time off work and put all sorts of personal arrangements in place just to get down to the doctor, they do not need another barrier. They are not going there because they are bored, and they are not going there because they are hypochondriacs. They are going there because they need to.

The Treasurer is fond of quoting a figure from the National Commission of Audit. He seems to think that the average number of times that people are visiting the doctor is 11 times a year. You would think that if you had commissioned people to look into this figure they would actually get their facts right. He was looking at the wrong column. It is actually six times a year, not 11 times a year. You would think that, if they put in all that time and effort and had all the resources of government available, the least they could do is to get their facts right. This is a confused policy which is attempting to address a problem that does not really exist.

In government, we were willing to ensure that the costs of both the PBS and Medicare were addressed through sensible savings and through sensible reforms, and we remain committed to doing that. The legislation before the House is indeed one of those measures. I admit that it was a coalition government that first introduced the extended Medicare safety net, but it was a Labor government that had to put in place initiatives to ensure that it was not rorted. We did that through capping arrangements—as you would know, Deputy Speaker, having been a former worker in the health system. We are willing to support logical arrangements that are well crafted and deal with an actual problem, but not this absolute farrago of confused policies that we see as part of this debate.

In the minute or so that I have left, I would like to make a few observations about the impact of the government’s health policies on regional and rural Australia. It is in regional and rural Australia that out-of-pocket health costs are higher, that incomes are lower and that the chronic disease rates are higher. There is also a higher proportion of the Indigenous population with poor health conditions, suffering a lot of chronic disease issues. Indeed, that is one of the reasons why there are disproportionately bad health outcomes in rural and regional Australia. It is for this reason that we need to ensure that our policies are not crafted in a way that is adversely affecting health outcomes in rural and regional Australia. The propositions which are being debated, which were introduced in the budget—which are a part of and envisaged by the member for Ballarat’s amendment to broaden this debate—go directly to those issues. That is why we should not be debating this proposition in isolation from the other policy changes that are before the Australian public and that should properly be before this parliament as we debate these proposed changes to the Medicare safety net. *(Time expired)*
Mr DUTTON (Dickson—Minister for Health and Minister for Sport) (18:13): I thank the members for their contributions, particularly some of the more sensible contributions from the member for Moore, the member for Bowman, the member for Paterson and others on the government side as well. I will very quickly respond to a couple of the points made by the previous speaker, the member for Throsby. I remind the member for Throsby that this denial process, this stage of grief that the Labor Party are going through at the moment, will not result in their return to government anytime soon. They are certainly suffering the same fate in relation to their approach to border protection. They are facing it, as we saw, with the naming of the member for Lilley today in relation to their denial about the state budget and they have certainly denied the state of health care in this country. They defied the independent evidence that was provided to the former Rudd and Gillard governments in relation to the commissioned work by Bennett and McKeon. The important thing out of those two pieces of work is that both of them suggested to the previous government that health was unsustainable. 

A division having been called in House of Representatives—

Sitting suspended from 18:15 to 18:35

Mr DUTTON (Dickson—Minister for Health and Minister for Sport) (18:34): I thank the members for their contributions to the debate on this bill. The bill amends the Health Insurance Act 1973 to increase the general or upper extended Medicare Safety Net threshold. A lower threshold, which is accessed by concession card holders, will not be affected by this bill. This bill also removes the outdated requirement for the chief executive of Medicare to only be able to request in writing the composition of a family for the purposes of the extended Medicare Safety Net. This bill does not remove the requirement to confirm family composition but allows the chief executive of Medicare to use other methods such as calling patients by telephones. This will mean that patients will be able to receive their benefits in a more timely manner. Patients who would prefer to have this request in writing can continue to do so.

This bill supports the implementation of the 2013-14 budget measure to increase the general extended Medicare Safety Net threshold to $2,000 from 1 January 2015. This bill was referred by the Senate for an inquiry by the Senate Community Affairs Legislation Committee. On 16 June the committee recommended that this bill be passed in its current form.

This bill will deliver a decrease in expenditure for the extended Medicare Safety Net. This is important for supporting the sustainability of the extended Medicare Safety Net so singles and families can continue to receive additional assistance with their out of pocket costs.

The bill also reduces the administrative burden on the Department of Human Services whilst providing consumers with greater choice in how they communicate with the department.

This bill achieves savings by increasing the threshold to qualify for benefits for a significant proportion of the population. However, it does not address the complicated and confusing safety net arrangements which have developed over many years.

As announced in the 2014 budget, this government will amalgamate the three Medicare safety nets from 1 January 2016. For the first time since 2010, the Medicare Safety Net will apply consistently to all MBS services. The new Medicare Safety Net will distribute safety
net benefits more and support the long-term sustainability of the Medicare arrangements. I commend the bill to the House.

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

Question negatived.
Original question agreed to.
Bill read a second time.

Ordered that this bill be reported to the House without amendment.

Second Reading

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

Mr WATTS (Gellibrand) (18:39): I am pleased to have the opportunity to speak on the Regulatory Powers (Standard Provisions) Bill 2014 in this chamber. The title of this bill may be prosaic—I believe that I am the only speaker on this bill in the Federation Chamber—but the substance of this bill is important and worthy of our consideration.

I rise to support this legislation as the model of how red tape production is really removed from our regulatory system. There is a clear need to address the rapidly expanding size and scale of regulation in Australia. It is true that in recent years the size and scope of this problem has increased significantly. We have had numerous reports detailing the extent of this regulatory burden, such as the Bell report in 1997 and the banks report in 2006. It is a problem that has spanned governments of both political persuasions. Indeed, regulation was projected to rise to 55,000 pages by the end of the noughties in the banks report, a projection based solely on the rate of regulatory growth experienced under the then Howard government.

Dense, complicated regulation has many disadvantages, but above all what is most concerning is the confusion it brings to understanding the law and the associated costs of this confusion to Australian citizens and business. While it is important to have clarity in the articulation of legal rights and obligations, there comes a point where too much complexity, too much detail, become a burden. The more regulations that sit on top of acts, the more sections slightly modifying sections in legislation, the more amending acts and consolidating acts affecting the original law, the more difficult it is for ordinary people to understand what their legal obligations are. This is an important point to note when considering red tape. The most invidious aspects of this growth in regulation is not an impact that it has on lawyers—who I am sure are pleased to bill for their services in wading their way through the thickets of red tape—but the impacts that regulation has on business and citizens that is the most invidious. Red tape growth leads to complications not only for small business but also for those seeking civil remedy and those who have been charged with a crime and wish to defend themselves.
It is important that we take steps to ensure that our regulatory system is both precise and effective. We must ensure there is sufficient detail in our regulations for people to know their obligations, but not so much that the burden of complying with the legislation is too onerous.

The previous Labor government devised a bill substantively similar to the one under consideration today as one key method of striking that balance. This bill was originally introduced by my predecessor in Gellibrand, the honourable Nicola Roxon, the then Attorney-General, and lapsed when the previous parliament was prorogued. It was another example of Labor's effective policymaking—a careful, considered approach rather than the big stunts and hollow words of the current Abbott government.

The Labor government appreciated that overregulation was not just a problem for the bean counters; it was also a problem for those seeking access to Australian laws. In 2009 it formed the Access to Justice Task Force with a view to finding out how to make Commonwealth laws more accessible. The task force consulted widely before releasing its final report in September 2009. In this report, titled *Strategic framework for access to justice*, it recommended that the government focus upon developing clear rules under strict guidelines.

But the government did not rush to introduce legislation to implement this report and claim a quick victory for the anti-regulation zealots. The Attorney-General's Department worked with the Office of Parliamentary Counsel to develop a set of detailed laws aimed at making our legal system clearer. The government also successfully introduced other changes to our regulatory system, including the Acts Interpretation Amendment Act 2011, Parliamentary Counsel and Other Legislation Amendment Act 2012, and the Statute Law Revision Act 2012. It was under this in-depth review that the bill under consideration today was first drafted. It replaces the variety of regulatory regimes available to regulatory agencies with one regime outlining specific regulatory functions. This allows for clarity for both regulatory agencies and the Australian people, as it is easy to figure out which regulatory regime applies to their situation.

In case of any confusion over interpretation of these provisions, the bill is subject to a Drafting Direction from the First Parliamentary Counsel. This will ensure all future legislation drafted under these provisions is in line with the First Parliamentary Counsel's direction. In addition, the changes that the bill introduces will be implemented in three careful stages.

The bill's operation is also carefully delineated. The relevant provisions of the act must be expressly applied, and all other important information must be specified to activate the bill's provisions. In addition, the powers provided to a regulatory agency under the bill will only be available if authorised by the agency's parent legislation.

So we have a bill that greatly simplifies our current regulatory regimes and makes it very clear when specific situations apply. The bill before us today is a model of effective statutory drafting, as can be expected from such a careful policy process. Indeed, the parliamentary note on the initial bill written back in 2012 could not hide its praise for how effectively the bill had been drafted, stating:

From a technical perspective, this Bill is difficult to fault.

The provisions are logical, clear and have a simplified outline at the beginning of each part to assist a person who may be entirely unfamiliar with monitoring, investigation or enforcement regimes.
It is also a bill with teeth, which will result in a significant decrease in the rising amounts of regulation that we see today. It is estimated that the reforms in this bill could reduce the size of a new Commonwealth act by up to 80 pages. It will also avoid unnecessary duplication and inconsistency across different regulatory regimes. We will see shorter, more precise regulation that is easier for the public to understand, reducing the burden on small business and making it easier for people to understand their legal obligations. It is the end result of a smooth policy process that will deliver the best for the Australian people.

In contrast, the Abbott government’s commitment to reducing regulatory red tape has until now been nothing but hot air and empty rhetoric. We have seen this on the much-feted red-tape repeal day, which was a triumph of style over substance and ultimately had very little impact on the everyday lives of the Australian people. The Abbott government certainly spent a lot of time touting their response to the problems of rising regulation. They had government websites dedicated to this bold new government initiative. They had glossy government magazines emblazoned with a pair of scissors and flashy dotted red lines. This was the member for Kooyong’s proudest moment. They even gave the day a name. That is an honour they did not even bestow on today, the day that legislation was introduced into parliament to repeal the carbon tax—that supposed terror currently savaging Australian society, wiping entire cities off the map and inflicting hundred-dollar roasts on unsuspecting families in National Party electorates!

Yet, when you looked beyond the hollow marketing gumph of repeal day, there was little of substance done to address the burden of regulation in everyday Australians’ lives. There were bills filled with the repeal of legislation that had lapsed 50 years ago and bills that renumbered sections of acts and removed headings. And let us not forget those all-important bills changing the word ‘facsimile’ to ‘fax’ and ‘e-mail’ to ‘email’. I know that Australians slept more soundly in their beds at night knowing that their legislation was free of those dangerous grammatical inconsistencies! However, it may well have freed up hordes of grammar nazis to begin second-guessing the written work of Australians in other areas of the economy, so—who knows?—repeal day may well have been a productivity wash. But ultimately there was very little benefit from all of this flash and style for the Australian people.

This is hardly surprising considering that red-tape repeal day was scheduled just six months into the Abbott government’s term. The Abbott government did not convene a task force to look at regulation or commission a report that enabled the views of industry to be properly ventilated and contested. By setting the 19 March repeal day, any consultation with interest groups would have been severely rushed. In this, we see evidence of the trademark Abbott approach to policy making: announce an initiative without consulting outside your inner circle; wait for the Australian public to stop scratching their heads, and then explain what you are doing again; prepare your three-word slogan or perhaps, in this case, just a two-word slogan, depending on the verdict of the hyphen pedants who were set to work on the repeal day bills; curb any internal dissent suggesting that the articulated policy makes absolutely no sense or is contrary to the fundamental values of the coalition parties; and then rinse and repeat. This may result in a couple of good news stories for the Abbott government in the short term, but it does not result in an effective long-term response to the problems currently facing our society, problems like the growth of red tape in our society.
The Abbott government process for red-tape repeal day can be compared to the extensive consultation and modelling that the bill under consideration today underwent, and the difference is remarkable. Unlike the bill before the House, it is clear that the red-tape repeal day was the response of a government that can think only in headlines and not in policy solutions for the Australian people. It was another example of the Abbott government's inability to transition from a three-word opposition to an adult government: a government that realises that the rise in regulation is a long-term, complex problem that deserves a long-term, considered response and a government that attempts to address the problem with considered, comprehensive policy solutions rather than empty rhetoric and cheap stunts.

The bill before the House is a worthy measure to reduce the growth of red tape in Australia. Given that it was developed by the previous Labor government, it may be some time before we see another of its kind before this House.

Mr KEENAN (Stirling—Minister for Justice) (18:49): I will sum up. Thank you to the member for Gellibrand for that contribution to this debate on the Regulatory Powers (Standard Provisions) Bill 2014. I would like to thank all of the members who made a contribution—consequently, this will be a relatively short speech! But I will note that the member for Isaacs also noted the important reforms that were made in this bill, including to further the government's deregulation agenda, something that was noted by his colleague the member for Gellibrand. Both of them correctly noted that the bill has been considered previously by the parliament. However, unlike the bill introduced by the previous government, this bill recognises the importance of protecting fundamental privileges by expressly preserving the privilege against self-incrimination and legal professional privilege. This bill also recognises the importance of close parliamentary scrutiny by ensuring that the provisions of this bill can only be triggered by primary legislation, as previously recommended by the Senate Legal and Constitutional Affairs Legislation Committee.

I would also briefly like to respond to the member for Isaac's comments on the government's intention to abolish the Office of the Independent National Security Legislation Monitor. This decision is in line with the government's commitment to streamline government by removing duplication or overlap of responsibilities between Commonwealth government agencies and offices. We have the benefit of the considerable body of recommendations and analysis from the four annual reports provided by the monitor since 2001. The best way forward is to work through and respond publicly to those recommendations, together with those of other recent independent reviews. This includes responding to the recommendations in the monitor's second annual report provided to the former Labor government in December 2012 but simply ignored.

The government is pleased to facilitate the passage of the Regulatory Powers (Standard Provisions) Bill 2014. The bill represents an important step in improving Australia's law and justice system and demonstrates a commitment by the government to simplify and streamline the law. The bill will provide a standard suite of regulatory powers to be applied across Commonwealth regulatory regimes. Over time, this will reduce the length of the statute book enormously and will provide a level of consistency and certainty in the scope and exercise of powers by Commonwealth regulatory agencies. This bill will make it easier for individuals and businesses to understand their rights and responsibilities and comply with the law. This
will reduce legal costs and risks, promote greater access to justice and reduce the regulatory burden on businesses that are subject to multiple regimes.

I thank the Parliamentary Joint Committee on Human Rights, the Senate Standing Committee for the Scrutiny of Bills and the Legal and Constitutional Affairs Legislation Committee for their consideration of this bill. In particular I would like to note the recommendation of the Legal and Constitutional Affairs Legislation Committee that the explanatory memorandum be amended to provide more detail on the government strategy for progressively implementing this bill. The government has considered the report of the committee and in response I table a replacement explanatory memorandum for this bill to address the recommendations of the committee. I would like to thank the Office of Parliamentary Counsel for the significant commitment to preparing this bill and seeking to improve the clarity and consistency of Commonwealth laws. Finally, I mention the 2003 report of the Australian Law Reform Commission, *Principled regulation: federal civil and administrative penalties in Australia*, which recommended that the bill of general application should be enacted to govern non-criminal contraventions of federal law. This significant report has contributed to the development of the provisions in this bill. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

**GRIEVANCE DEBATE**

Debate resumed.

The DEPUTY SPEAKER (Mrs Griggs) (18:54): The question is: That grievances be noted.

That grievances be noted.

**Moreton Electorate: Taiwanese Community**

Mr PERRETT (Moreton) (18:55): I rise to speak about a significant community group in my electorate of Moreton, which has connections with Australia’s 10th biggest export source. We are their 15th biggest trading partner; I am obviously talking about Taiwan. I note that recently, whilst there has been an increase in visitor arrivals to Brisbane—in fact, a seven per cent jump in May, compared to the year before—of that increase in visitor markets, the overall growth saw Taiwanese at 46.7 per cent. That reflects the increasing significance of the Taiwanese community not only in my electorate of Moreton where so many people with Taiwanese links and connections live but also in Queensland, Sydney and Melbourne, and all around Australia. The Taiwanese community have been arriving in increasing numbers.

Many of them are working in the agricultural sector and many of them are studying in Australia. We currently have a significant number of Taiwanese students living in Brisbane and in other capitals as well. Taiwanese students are adventurous. They come here with a great spirit and are interested in ensuring that they have a good time in Australia. Sadly, some Taiwanese students are being exploited by employers who are not considering the employment law in Australia and are taking advantage of them. I have spoken to the Taiwanese community as much as I can and to the Queensland and other state governments about ensuring that they understand employment law. I saw reports on the 7.30 report last week about Taiwanese employees who were spending the entire day in a field picking fruit
and then, because of the arrangements with the shared accommodation where they were paying $120, $130 a week, they ended up only receiving $5, $10, $15 for a day's worth of picking in a field. There will always be people who are prepared to take advantage of travellers and, sadly, some Taiwanese students and travellers have been taken advantage of.

I particularly want to mention the director-general of the Taipei Economic and Cultural Office in Brisbane, Mr Wen-cheng Sung, who has served the community of Brisbane, Queensland and Australia for nigh on five years. Mr Sung previously spent time in Poland. He has spent five years in Brisbane and has been an incredibly hardworking, loyal servant of the Taiwanese community and the Taiwanese travellers who have arrived in Queensland. He is an incredibly quietly spoken gentleman but a great intellect and a great servant of the Taiwanese community. In that job he has worked closely with the Taiwan Friendship Association of Queensland, ably chaired by the president, Koda Chen. I also mention the former president, Anthony Lin, with whom I have had a close relationship; the president of the Taiwanese Women's League of Queensland, Alice Shen, and Jane Yu and Monica Hsu. I could give you a long list of the people who have loyally served the Taiwanese Women's League—people who step up every day but who particularly stepped up during the disastrous floods of 2011 where they were able to serve the broader Queensland community, particularly those people who volunteered to help clean up after the disastrous Brisbane floods.

I would also like to mention some other good friends of mine: Henry Chen and Wayne Ko, the commissioners of the Overseas Compatriots Affairs for the Republic of China, Taiwan. Henry and Wayne have been longstanding, hardworking, well-known, well-respected members of the Taiwanese community. Wayne is also the secretary-general of the Queensland Federation of Taiwanese Associations that do such great work in ensuring that the Taiwanese community is well connected with the people of Queensland. The local Taiwan centre, which is just near the Macgregor Primary School in one of the shopping centres, is owned by a very well-known Taiwanese family, the Fu family. They own approximately 20 shopping centres throughout Queensland. I think they might have even ventured into New South Wales. The Taiwan centre services the local community, not just the Taiwanese community.

I would also mention the big team at the Taiwanese Chamber of Commerce in Australia, who do so much to make sure that Australia's trade with Taiwan continues to improve. Trade was at $11.346 billion in the last financial year, even though Taiwan is only a small country of 36,000 square kilometres. Under President Ma they have done so much to make sure that they have strong connections in the region so that there are strong employment opportunities and strong tourism opportunities, both with mainland China and the rest of Asia, and Queensland and Australia. Obviously there are great opportunities there, not just for Queensland coal, the resources that come out of Queensland and Queensland tourism, but also those that were articulated in the Labor government's Asian century white paper. That showed we need to have closer connections with the Asian community that surrounds us, especially as challenges arise in the next few years, as we have a remilitarisation in Japan. There are challenges that will come with that, for Australia with our connections with Japan, and also for China, which looks back 70 and 80 years ago to the horrors that were visited upon that nation. In fact, if you go back to Taiwan you can see 100 years or so of problems that come with colonisation of any island, any nation.
I particularly note and comment upon Australia's trade in services with Taiwan in 2013. We exported $704 million in services to Taiwan. There are some great opportunities there, in dealing directly with the nation of Taiwan but also with their neighbour of China. It is a great way to do business with China, in terms of going through Taipei and Taiwan, because of the connections that are there and their understanding of China. Obviously we have a smaller population, but Taiwan has 24 million people who appreciate democracy and have those great connections, not just in the Mandarin language but also culturally because of those historical connections with Beijing and beyond. At the recent Taiwanese elections, from memory, one million people arrived in Taiwan from China to vote, which is an interesting statement in and of itself in terms of the connections across the Taiwan Strait.

I have enjoyed my visits to Taiwan during my time as the member for Moreton. Three times I have visited that tiny, beautiful island in the Pacific Ocean. I have been close to China. I have seen the battlements where once upon a time shells rained over the island of Kinmen. I have knives in my house made from steel provided by Mao Zedong, because the shells that landed in Taiwan had then been forged into knives, which I have at my home—not to mention the Kinmen liquor. I know the people that come from that island are stout of heart, strong and independent.

As I mentioned earlier, I would particularly like to thank again the Director General of the Taipei Economic and Cultural Office in Brisbane, Mr Wen-chen Sung, for his service and to wish him well in his endeavours when he returns to Taipei.

**Western Australia: Property Rights**

Mr RANDALL (Canning) (19:04): I rise today to speak about property rights—those that have affected my constituent Peter Swift and have the possibility of impacting around 2,000 more landowners in Western Australia. For those not familiar with Peter Swift's case, in summary he was prosecuted by the Western Australian state government's Department of Environment and Conservation, or DEC, for clearing vegetation on his Manjimup property without authorisation, contrary to sections 51C and 99Q of the Environmental Protection Act 1986. Mr Swift maintained his innocence against the charges and provided aerial photographs showing the land clearing had taken place before he purchased the property in 2007. In the end, Mr Swift won the case, though he is now $360,000 out of pocket and severely physically and mentally drained—wrecked—by this experience.

The concern about clearing is because the Manjimup land in question falls within a Western Australian state government declared 'environmentally sensitive area', or ESA. This was land that Mr Swift thought, at the time of purchase, he could use to farm. In fact, it was going to be his retirement option. The regulations of the Western Australia's Environmental Protection Act 1986, an act that contains a provision for subsidiary legislation pertaining to the declaration of environmentally sensitive areas, is not mentioned on Peter Swift's record of certificate of title; he is just expected to know all the legislation that may or may not relate to his particular block of land. Nor is the matter that his land falls within an environmentally sensitive area specifically mentioned on his record of certificate of title.

I suppose this is a warning to all landholders, farmers or otherwise, to make sure they know all the current legislation—and future changes to legislation—governing the property they own. Ever since Mr Swift's case has been in the public eye, questions about property rights have escalated, including a call from Simon Breheny at the Institute of Public Affairs...
requesting the WA state government to launch an inquiry into the heavy-handed approach that DEC used against my constituent. Mr Breheny says the consequences of native vegetation regimes essentially pit small farmers against massive taxpayer-funded bureaucracies like DEC. He says native vegetation laws are an attack on property rights, restrict farmers from managing their land, and additionally act as a constraint to economic growth.

In Mr Swift's case, he is so very right. As I understand it, Mr Swift is now left with three-quarters of the land he purchased that he cannot use to farm at all. The introduction of environmentally sensitive areas in Western Australia has also come under scrutiny. After agreements were made by the Commonwealth on Ramsar wetlands, the state also started to protect other wetlands. In WA, we saw this done with the Swan Coastal Plain wetland policy and then the South West Agricultural Region policy, which covers Mr Swift's area. As I understand it, the policy had a review period, and this gave DEC an opportunity to list all wetlands on geomorphic maps previously produced for the department by a husband-and-wife team, V and C Semenuik. I have been informed that the Liberal Minister for the Environment at the time, the Hon. Cheryl Edwardes, refused to sign off on this document.

It was then in 2003 that sections 51B and 51C were inserted into the Environmental Protection Act. Section 51B gave the minister of the day authority to declare, by notice, an area to be environmentally sensitive. Section 51C covered detail about unauthorised clearing, including that clearing cannot be done in an environmentally sensitive area. Following the amendments to the act, notice 55, relating to environmentally sensitive areas, was published in the Government Gazette in April 2005. It declared all wetlands produced by the Semenuiks' geomorphic maps as environmentally sensitive areas. I do not know what qualifications this husband-and-wife team had, but this policy was adopted, and for whatever reason we do not know.

Questions have since been raised about the validity of the process that enabled the declaration of environmentally sensitive areas. While the notice was tabled in the Western Australian parliament, I am told it bypassed the required scrutiny by the Joint Standing Committee on Delegated Legislation, whose responsibility was to examine subsidiary legislation. But, because no motion of disallowance was put forward in the parliament, the ESAs became law. The minister of the day was the Labor Party's Judy Edwards.

Peter Swift's Manjimup land had trees felled prior to or during 2004. The ESAs were then introduced in 2005, but without any compensation to landowners at the time, the reason being that there are no compensation provisions in relation to clearing in the WA state government's Environmental Protection Act 1986. It has been raised with me that, at a federal level, the Commonwealth has power to make laws for the acquisition of property in relation to section 51 of the Commonwealth Constitution, qualified by a requirement of 'just terms'. It should duly be noted that there is no such equivalent to section 51 of the Commonwealth Constitution in the Western Australian state Constitution Act 1889. While the state has responsibility for land clearing provisions—and things like wetland management with regard to ESAs—confusion has reigned on land use entitlements and compensation. But it can be argued that this is not a matter of compensation for the acquisition of land. The declared 'environmentally sensitive areas' dictate what property owners can do with their land though do not acquire it for any specific use by the state.
The Western Australian state government is making steps towards relaxing draconian laws on land clearing—some would say a bit too small and a bit too late. Last December, the WA environment minister, Albert Jacob, announced changes that would allow an increase in the area of native vegetation to be cleared annually for farming projects from one hectare to five hectares. Changes include allowing land managers and farmers 20 years to maintain land previously cleared lawfully without applying for a permit, up from 10 years. While these changes will reduce red tape and surely be welcomed by farmers, they do not help my constituent, Mr Swift.

Recently, the state member for Murray-Wellington, Murray Cowper, introduced a private members’ bill, the Taking Property on Just Terms Bill 2014. Well intentioned, but simplistic in its form, it is essentially a bill for an act to provide that taking of property by public authorities must be on just terms—in other words, that done in the movie The Castle. It is an altruistic bill but it is not likely to pass the Western Australia parliament and, in this case, help Mr Swift or any of these landowners.

I have no disagreement to the notion of the bill. The acquisition of property on just terms is in the Commonwealth Constitution. This particular bill stipulates the taking of property by a public authority must be compensated but has limited detail on compensation for changes to land use requirements, particularly where a person considers their land value diminished. It also does not specify whether the act would work retrospectively. If it does not, it would not be much help to Mr Swift or the other landholders in the environmentally sensitive areas.

Earlier this month, Mr Swift received a letter from the Western Australian Department of Environment Regulation clarifying the areas of his property he may clear without a permit. He was taken to court over the previously cleared areas. However, existing native vegetation is to remain untouched. In my constituent’s view this has not only severely limited his farming use for the land—which he understood he had at the time of purchase—but also significantly impacts on the land’s resale value. To clarify this for the House: Mr Swift was prosecuted over a certain amount of land that may well have been cleared prior to his ownership and now they have come back and said that he can use that land but he cannot use bits of other land. It is totally confusing. It is not consistent and it needs to be cleared up once and for all by the Western Australian state government.

While landowners in environmentally sensitive areas can apply to the government for a clearing permit, I am told that about 900 or so clearing permits exist in ESAs. This, I expect, is a vague process dictated by a few in the department. As I said on a previous occasion, you have these voracious environmental Nazis in the DET who go around traumatising people on some of these disputed lands, and it is causing a huge amount of angst for those who own this land. It is a pity that I do not have the letter here to table, because it shows just how confusing the advice to Mr Swift has been.

Before I finish, I must commend the work and the support on this issue by former state member for the agricultural region, Murray Nixon. He has worked tirelessly for my constituent, Mr Swift, and in turn all landowners adversely affected by these land use laws. Mr Swift is one of many people who sit in this absolute limbo in relation to what they can and cannot do on their land. There does not seem to be much science behind which areas are quarantined and which areas are to be retained as bush forever. It severely affects their ability for resale. Sadly, Mr Swift is paying an enormous mortgage on this land which is essentially
now worthless. The state government must step in and see fair pay to Mr Swift and, potentially, thousands of other Western Australian landowners in the affected area.

**Hospital Funding**

Ms RYAN (Lalor—Opposition Whip) (19:14): As previously raised by me in this place, our community of Lalor is well served by our Werribee Mercy Hospital. This hospital has a proud history of servicing the community and has worked hard to develop master plans for the future provision of services. Labor is proud to have worked with the hospital in recent years to secure much-needed funding, particularly capital funding. Labor did so knowing these facilities were part of a well-thought-out master plan, designed to ensure that over time the hospital continues its excellent service to the area.

But I am sad to report that some of the recently opened new services funded under Labor are now under threat of being compromised. In 2011, Labor allocated around $30 million for the new subacute and rehab centre, the Catherine McAuley Centre, which opened in February this year—a centre that was obviously needed, as every bed has been occupied, every day, since the first week of operation. This centre has proven a great boon for the hospital. When I met with the hospital executive recently, they explained that this facility has improved patient outcomes, with less patients requiring readmittance after discharge; it has delivered better rehabilitation outcomes; and it has also enabled acute beds to be utilised more effectively. This is good news as the outcome is increased health provision for our community. It is good news because patients are requiring less readmission after discharge, an aim of the centre.

Hospital facilities need to be built; that is the first step. Then of course they need to be staffed. Labor put in place a national agreement to provide operational funding in the interim until the new National Health Agreements were due to commence. These arrangements have been ignored by this government. This year's budget has put those health agreements at risk and the government's own budget papers show health funding has been cut. The budget paper also shows $200 million in savings has been found by ceasing the National Partnership Agreement on Improving Hospital Services on 1 July 2015. This agreement was designed to improve access to public hospital services, including elective surgery, emergency department services and subacute care. It was due to run until June 2017. Based on charts in the budget and evidence to the Senate from the Health Department, it appears that over 10 years the Commonwealth would be contributing $50 billion less to hospitals than if it kept Labor's funding arrangements in place. This $50 billion less across 10 years means $5 billion a year as an average.

This has put a cloud over health provision in our area, and indeed across Australia. The Werribee Mercy was built 20 years ago to service a population of a projected 90,000 residents. We now have a population of 200,000 residents. As a community we are very much still in an expansion mode. Remember that Wyndham is the fastest growing area in Victoria, if not Australia. This government was basically silent on health initiatives in the lead-up to last year's election—no new ideas, no detailed planning for the future. In the budget delivered just six months after winning office, all we have seen from this government is cuts to health funding. For the Mercy group, cuts in the order of $30 million over the forward estimates are expected. So the hospital is now facing the need to make decisions. How will they cut the cloth to fit with less money? The only way I can see to do so is to cut services. What is the logical service that could be targeted: the new subacute and rehabilitation centre.
Labor has a proud history of providing for expansion in Lalor, having also funded a new GP Superclinic, a Headspace centre and an $11 million clinical teaching and research facility. This clinical teaching and research facility is allowing for medical staff to be trained in the west of Melbourne for the first time. It is a great initiative not just for the research capacity it brings but once doctors and nurses have worked in our region they are more likely to stay, assisting with the long-term medical staff shortage pressure we have experienced over time.

As a Labor member I am rightly proud that we funded much-needed health services for my local area. In a region with 92 per cent bulk-billing rates, the community relies on a well-resourced public system. The sad thing is Labor proudly invests and then the coalition government proudly cuts. We have heard the Prime Minister and the health minister stand by their budget, despite key stakeholders like the AMA denouncing it. We have heard them time and time again say their cruel budget is necessary, when this rationale is predicated on a false budget emergency.

Not only does this budget cut hospital operational funds; the savings this government appears determined to achieve hit at every level of the system. The government is introducing cuts to preventative health programs, imposing barriers to accessing primary care through additional out-of-pocket expenses, increasing the costs of medicines, freezing rebates for specialist services, cutting public dental services and, of course, cutting billions of dollars from the hospital system. These are not sensible savings. They are not savings that are reinvested back into strengthening Medicare or providing better access to services.

I will say again: the Werribee Mercy Hospital serves our community well, but in a growing community the current arrangements are inadequate. We need government to invest in health provision for the hardworking community members of Lalor. The Mercy has identified an immediate need for six additional operating rooms, 56 new acute care beds, eight critical care beds, 29 mental health beds, 10 maternity beds and 10 neonatal cots. The provision of these would allow for a great health service in our area. An area that is rapidly expanding needs these critical services. We need our hospital to build the economies of scale to deliver efficient and necessary health care.

Other areas in Victoria have recently received funding for expansion. I am not suggesting facilities there are not required. It is just that Lalor also needs its fair share. Bendigo, with a population of just over 100,000, has received $630 million for a new hospital. Ballarat, with a population just under 100,000, recently received $46.5 million to expand services in the hospital. Geelong, with a population of around 250,000, is in line for a second hospital. I congratulate these services for securing funding, but I think Wyndham, with a population of 200,000, deserves better.

Werribee Mercy’s catchment is now the largest in Victoria without a major hospital located in the area. The Mercy does not have a supporting tertiary hospital that it can transfer patients to in a timely manner. With no tertiary level hospital in the Wyndham region, the average distance to the six closest hospitals with an intensive care unit is around 35 kilometres. The Mercy provides 40.6 per cent of Wyndham residents with health care. The other 59.4 per cent need to go out of the area for their hospital care. The Mercy currently serves only 48 per cent of birthing women in Wyndham, where 80 babies a week are born. At times, it needs to provide level 5 hospital care for newborns when it is only equipped to operate as level 2.
The new financial year is just over a week away. This will not be the last time I lobby for additional health resources for our community. But with only eight days to resolve the immediate issue of recurrent funding for the brand new $30 million Catherine McAuley rehabilitation centre, I call on the health minister, Peter Dutton, and the Victorian health minister, David Davis, to come together and resolve this issue. They need to ensure the Catherine McAuley rehabilitation centre can be staffed appropriately and continue to meet its intended outcomes. The demand is clear; the facility is built. What we need is a government willing to fund its continued use.

**Page Electorate**

**Mr HOGAN (Page) (19:24):** I will start by congratulating you, Deputy Speaker. You were the deputy chair in the House of Representatives just a little while ago when those appropriation bills were going through. It was a very busy time and I thought you handled it well and with much aplomb. I want to update the House on what has been happening within my local electorate since the election last year not only on some things that we said we would do nationally but also on some things that have been happening in different local government areas within my community. I have five LGAs within Page and I would just like to give the House and them an update about what has been going on for them nationally and within their LGAs and about some initiatives that we have been looking into.

With all of them—and you would be well aware of this, Mr Deputy Speaker—there were four major themes that we took to the election that we said that we would do if we won government. One of them was to build the infrastructure of the 21st century. A big one in every LGA in my community is Pacific Highway. We have set aside $5.6 billion for the dual track duplication of the Pacific Highway and a lot of what is remaining is in the electorate of Page. So that has been quarantined. Also, we said we would repair the budget and we are in the process of that. We said we would stop the boats. The reason we wanted to do that was not least the loss of life that we were seeing. There were over 1,100 deaths due to the people-smuggling business and that tragedy has now stopped, which is wonderful.

We had said that we would repeal the carbon tax and instead deal with climate change with our direct action policy, and, importantly, in repealing the carbon tax, that we would put $550 back into the pockets of households. Within the five LGAs, that is relevant, but I would also like to look within the five LGA's in my area at some of the things that we are delivering and working on. Within Richmond Valley LGA are wonderful communities such as Casino, Coraki, and down to the beach of Evans Head. It is a wonderful and a very productive valley. It has probably one of the biggest private employers in my electorate. The Northern Cooperative Meat Works Company employs over 1,000 people and is a very important part of our economy. Some of the things that we have delivered there are $3 million for the Casino hospital emergency upgrade; $1 million upgrade of the hospitality section of Evans River K-12 Community School, one of our campaign promises; nearly $500,000 for CCTV cameras within the Casino CBD; and free-trade agreements are obviously very important for this community, with Korea and Japan, and we are working on one now with China. Simon Stahl, the CEO of the Northern Cooperative Meat Works Company described those free-trade agreements as 'very important' because their competitors, which are global, as you would understand Mr Deputy Speaker, were getting a bit of a head start in some of those countries and their tariffs were being lowered on beef quicker than ours. That was an important step for
us. We have set aside $185,000 for the Bellman Hangar which has F111 in it. Mr Deputy Speaker, I encourage you to visit and have a look at that. It is a very great tourist attraction. There are many other grants for the Mid-Richmond Neighbourhood Centre. That community were also very concerned. They have a removable home. They obviously wanted the GST not to be changed on that, which we did as well. Also, the NBN is starting to roll out there, which is important for them as well.

When you move up, out of the Richmond Valley, you get to Kyogle—a beautiful part of the world—all the way up into places like Woodenbong, up on the Queensland border, and over the beautiful countryside to Bonalbo. Again, what I said about those four standards that we are delivering are all very true for them. They are very excited about our wooden bridge programs. It is quite a small local LGA in terms of population, but they have hundreds of wooden bridges, which are really beyond their financial capacity to maintain. Each of those bridges can cost up to $2 million and one can understand the cost of those bridges when you have a few hundred of them. They are very excited that we are going to get our Bridges Renewal Program under way and they will be an applicant for that. We are giving them more money into local roads under the Roads to Recovery program. We are doubling that in one year and over a couple of years. There are many grants for Kyogle District Care Connection and Kyogle-based Real Art Works as well as others. I just wanted to give a few highlights of those because we have given out so many grants that it is impossible to cover them all.

For the Lismore LGA also the free-trade agreement is important to them. Norco dairy cooperative is based in Lismore. There is very exciting news for them. They have recently started to export fresh milk into China. That will really help them break the nexus with the duopoly of the major supermarkets which have a lot of power in the milk market. Lismore have a variation approved of $5 million for local road works, with affordable housing and new block developments.

Over $1 million has gone towards Trinity Catholic College for a new hospitality centre. Over $1 million has gone to Southern Cross University for research. Southern Cross University is a very important part of our local economy in the region. There have been many grants to the Red Cross, Norpa's Bundjalung Ngahri project, Friends of the Koala, Richmond River Historical Society and the Child Aware Initiative.

When you go south in my electorate you come across what can only be described as the 'magnificent Clarence'—they call it the 'mighty Clarence' for a very good reason—and places such as Nymboida, Grafton, Iluka, Lawrence, Yamba down on the coast. It is a beautiful part of the world. Again, the Pacific Highway is very important to them. Fatalities are unfortunately still too high on the Pacific Highway. So they are very excited about the $5.6 billion set aside for that, giving them a big boost in Roads to Recovery funding. They have a big area, so doubling that is a big help to them in the coming years.

There are three skills training centre grants there: Grafton High School, South Grafton High School and Acmena—over $2 million total. There is over $800,000 for disadvantaged Clarence Valley High School students to help them start university. There is nearly $600,000 for the Grafton Hockey Club. We have given money to Grafton district Meals on Wheels and Clarence Valley Home Modification and Maintenance Service. We have stopped the GST on removable homes. There are the goal posts in McKittrick Park, and the Iluka Woombah Men's Shed got a grant as well as. There are quite a few more there that I will not read out. The
Clarence River Historical Society, Iluka Public School, the Yamba Historical Society, the Clarence Environment Centre, the Vietnam Veterans Association—just to name a few.

The last LGA in my electorate is the Ballina LGA, and again the Pacific Highway is massive for Ballina. The duplication for that is very important. In fact, one of the first things I did as member for Page was announce the winning tender for the section near Pimlico; we turned the sod there. It is for the preconstruction and planning for 155 kilometres of divided four-lane highway between Woolgoolga and Ballina, which is the next main focus of it.

I am also very happy to talk about the $4.5 million that we announced during the campaign for the stage 12 upgrade of Ballina Hospital. It includes a second operating theatre, improved surgical services and constructions jobs. There is $1 million for Alstonville High School for a skills training centre and $100,000 for Heartfelt House who deal with victims of childhood sexual abuse. Vicky there does fantastic work in our community. There are also grants for Wetland Care and for Emmanuel Anglican College.

This week I am also sending a letter to everyone over 55 in my electorate just to update them on the budget in relation to pensions. There has been a lot of information, some of it a bit misleading, about the pensions. The one thing I am assuring all pensioners about is that the age pension will continue to rise every six months. It went up by $15.70 a fortnight for a single and $11.90 for a couple in March and it will increase again this September. Pensioners will continue to receive the pension supplement which will also continue to be indexed twice a year. This supplement is currently $1,635 a year for singles and $2,464 for couples. The next index increase will be in September. There are no changes for the pensioner concession cards, and recipients will continue to receive all the benefits currently attached to the card. Pensioners will also benefit from the abolition of the carbon tax. From 2017 the pension will continue to rise in line with the CPI measurement.

**Scullin Electorate: Public Transport**

**Mr Giles** (Scullin) (19:34): If you live in Melbourne's outer suburbs and you rely on public transport, how it works has a major influence on your quality of life. It sets the boundaries of your world—how to get to work, what jobs are available to you, how much time you can spend with your family and what leisure options are available to you.

Melbournians are justifiably proud to live in one of the world's most liveable cities, but we are increasingly conscious that this much-vaunted status means too little to too many in our city. The geographic limits of liveability are being tested. It is suggested that we are moving inexorably towards two Melbournes: an inner hub of jobs and activity, and an outer ring where opportunities for a decent life are constrained.

Let me be clear: I am concerned by this trend, but it is not inexorable; we can turn it around, with political will. The community is there, and politics needs to catch up. Much of this trend relates to concerns of accessibility, people's capacity to get around effectively for work and leisure. When we talk of the 20-minute city, it reminds us how extensive the impacts of transport poverty can be. For too many, this concept seems remote, unreal. Instead, people are giving up on opportunities. I think of some of the mothers I have met who work in lower skilled jobs so they can more easily manage pick-ups and drop-offs or those experiencing great stress in trying to balance work and family while navigating long and uncertain commutes.
We are a long way from meeting the challenge of productivity, sustainability and ability, and getting public transport right is the essential ingredient in advancing all three objectives in our cities. This does not account for the cost-of-living impacts. I am mindful of recent research by the Australian Railways Association that highlighted the commuting costs of car versus rail. The cost pressures on two-car families in outer suburbs are acute. The conceit of this government is to assert that urban policy is the sole responsibility of state and territory governments. This government has absolved itself of the acute challenges our cities face.

This is not the Labor way. Under Whitlam, we had Tom Uren as Minister for Urban and Regional Development. Under Hawke, we had Brian Howe as Minister for Housing and Regional Development. It was the Hawke government that initiated the Building Better Cities policy, which I believe set the benchmark for cities policy in Australia. It was of course built on by the member for Grayndler, who offered a great vision of how we should approach infrastructure provision in this Commonwealth—and he delivered on urban rail.

Of course, roads are also a part of this. Indeed, they are a source of major concern and frustration for residents in the electorate of Scullin—as well as public transport defects. This is because, for most, there is little alternative. I recently held a series of community catch-ups right across the electorate, and I can safely say that congestion on the roads was a consistent theme. I have experienced firsthand what constituents are speaking about—whether it is the Yan Yean Road from Doreen to Diamond Creek or O'Herns Road in Epping North, the experience is the same right across the electorate. Even to make a simple run to the shops or doing the school run, residents face the type of gridlock you would expect at rush hour in the CBD.

The Access Denied campaign, run by the City of Whittlesea, has mobilised communities in Melbourne's north. The campaign is seeking a commitment from the current coalition state government and a prospective Labor state government to build access ramps onto the Hume Freeway at O'Herns Road in Epping North and also to extend the train line to Mernda. Whilst Mernda is in the neighbouring electorate of McEwen, the campaign highlights the critical situation facing residents of Melbourne's north, who are hit by a pincer movement of the government's high fuel costs and its refusal to fund urban rail. When I was campaigning at train stations and communities such as Hurstbridge and Wattle Glen, it was not uncommon for me to encounter residents of Mernda who had no choice but to drive to Hurstbridge station in order to get to work. The alternative, they told me, was to be stuck in traffic along Plenty Road and face a two-hour drive to the city. The hundreds of emails are testament to the level of community concern behind getting our transport connections right in Melbourne's north.

Another example of grassroots activism on this front was evident to me earlier this month when members of the Aurora Community Association, led by Cara Horner and Toni-Marie Wuelfert, met to discuss possible bus routes for their neighbourhood. The new estates in Epping North are particularly poorly served by public transport. These residents have a constant reminder of the Victorian coalition government's neglect, with bus stops on their streets but no bus service. If ever there was an example of the need for and importance of having a long-term vision for community connectedness, this is it. I pledge to work with the state member for Mill Park, Lily D'Ambrosio and the member for Thomastown, Bronwyn Halfpenny, to do everything we can to improve community connectedness in this area. There
is a long-term need for heavy rail in this area but we cannot allow perfect to be the enemy of good, and we need bus services that connect people to work—soon.

Last week another campaign was brought to the attention of readers of *The Age*—the efforts of the community to get the No. 86 tramline extended to South Morang railway station. This campaign also has widespread support, and it is not difficult to understand why. You need only drive on Plenty Road at any time of day to understand the limits of road infrastructure in Scullin. I want to pay tribute here to the work of local activists—in particular, Alahna Desiato and Trevor Carroll, who put together a petition of more than 2,300 signatures which was tabled in the Victorian parliament in April. However, given the Victorian government’s track record of promising to fix the problems while doing the exact opposite, I do not think residents can expect to see any improvements prior to 29 November. Building Better Cities brought the tramline up Plenty Road; now is the time to complete the job.

Along Plenty Road Scullin has RMIT’s Bundoora campus; and, just outside Scullin, in the neighbouring electorate of Batman, there is La Trobe University’s Bundoora campus. Much has changed since La Trobe was established in 1964 on a piece of farmland attached to the Mont Park psychiatric hospital. However, even then the Victorian Minister of Education in the Bolte government, Sir John Bloomfield, acknowledged in his second reading speech that population figures in Melbourne strongly supported La Trobe University’s establishment, which he described as ‘an urgent matter’.

The location of La Trobe and RMIT’s Bundoora campuses has allowed them to become the universities for Melbourne’s north. This is a good thing. It is a matter of equity for all Australians to have access to quality tertiary education, but a key part of this is for students to be able to actually get to these campuses. How can equity be realised without improved public transport links? The absurd situation we have at the moment is that it is quicker and cheaper for people in Melbourne’s north to go to universities based in and around the city by public transport rather than to go to campuses in Bundoora. Even by car, as I mentioned earlier, the constant gridlock on Plenty Road makes this an extremely unattractive option. Simple things like an effective shuttle service from Reservoir train station to La Trobe’s Bundoora campus would make a big difference to many kids in Melbourne’s north. When I visited railway stations on the Hurstbridge line, early morning commuters were keen to impress upon me the infrequency of their train service. They do not exaggerate. Trains at peak times run at a frequency of 20 to 30 minutes, with a travel time, sometimes, of over an hour. If we want to get people off our roads, this frequency must be increased.

In April, I, along with Vicki Ward, the state Labor candidate for Eltham, met with local residents in Hurstbridge. We had the pleasure of hosting the member for Perth, who, I hasten to add, caught the train to our meeting and, incidentally, missed her first train, which meant a 20-minute wait for all concerned. At the meeting, locals raised their views about the public transport issues they confront on a daily basis. The member for Perth outlined her achievements in Western Australia as well as suggesting flexible solutions for new communities. Supporting community transport, tailored to smaller communities, would seem to meet a need that is not presently being met and is not on the radar of our state government in Victoria. There is innovative and lateral thinking being done.
Speaking of such matters, as I have mentioned many times before in this place, Victorian and Commonwealth Labor support funding for the Melbourne Metro project. The project will allow for greater capacity right across our rail network. The greater frequency of trains that the people on the Hurstbridge line, amongst others, are desperate for would be closer to being achieved. Melbourne Metro was rated by Infrastructure Australia as 'ready to proceed' and:

... a project that is expected to shape Melbourne's future transport network and land use patterns. The preferred option presented could achieve up to 30 per cent capacity increase in the urban passenger rail network ...

Melbourne needs Melbourne Metro, not a cut-price knock-off. It is as simple as that. It is only courageous in the Yes, Minister sense of the word that we would seek to grow a 21st century economy for a major world city on the backbone of 19th century infrastructure. That is why there is a groundswell of community support for better infrastructure in Melbourne's north, for roads, for heavy and light rail and for buses.

However, there are two critical elements missing from this debate. The first is a Victorian government that is prepared to listen and fund projects that these communities are crying out for, though the people of Victoria have a great opportunity to attend to this shortfall on 29 November by electing a Daniel Andrews Labor government. I am sure they will do so. The second missing element is, of course, the Commonwealth government, which has just washed its hands of the problems facing our cities. The transport needs of Melbourne's north raise two big questions for the Commonwealth: the need to commit to funding public transport and the need to engage in city policy. The people in Scullin, and indeed across all the cities in Australia, can expect to be stuck in traffic, to be disconnected from jobs, communities and opportunities as long as these two elements remain missing. Labor will continue to make the case for this nation's cities and their people, for productive, sustainable and liveable communities which treat equally those Australians who live in vibrant, growing outer suburbs. These people will soon constitute one in five Australians. Their fair share is overdue.

Warrnambool Telephone Exchange Fire

Mr TEHAN (Wannon) (19:44): It is a pleasure to see you in the chair tonight, Mr Deputy Speaker Goodenough. I rise tonight to talk about an incident which occurred a year and a half ago in my electorate. It was the Warrnambool telephone exchange fire, which occurred on 22 November 2012 and which caused significant harm and damage not only to the exchange itself but to the people in south-west Victoria. The outage affected about 100,000 people in south-west Victoria, a region covering approximately 67,340 square kilometres.

The reason why I rise tonight to talk about this incident again—and I have talked about it previously in this place—is because RMIT and the Australian Communications Consumer Action Network have put together a consumer and social impact analysis of the Warrnambool exchange fire. It is a very important document. Two authors, Dr Kaye Schofield from RMIT and Dr Mark Gregory from ACCAN, have done an excellent job putting together this report looking at the impact that this telephone exchange fire had on the local community. More importantly, they make recommendations of how government, how business and how individuals should prepare themselves for such future outages should they occur.

Let us not gild the lily here. What the south-west experienced when their exchange went down was nothing short of a wake-up call for the rest of the Australian community of how reliant we are now on telecommunications. Basically, it shut down all the commerce in south-
west Victoria, it shut down emergency services, it shut down people's ability to make important life changing phone calls. This was incredible and extraordinary in its reach and in the impact that it had.

One of the things that we must see is that the rest of the Australian community takes note of this and puts in place the policies that are required to ensure that if this type of event occurs anywhere else in Australia that communities are prepared for it. The sad thing was that south-west Victoria was not fully prepared when it occurred on 22 November 2012. Even though it occurred in Warrnambool, to give you a sense of the disruption that it had, that morning I was meant to be doing a radio interview at my local ABC radio station at 7:20 from Hamilton. I could not do that radio interview because the ABC network could not function because of the telephone exchange fire. I then had to go and see the podiatrist about my foot. After having seen the podiatrist, I went to pay the account at 08:45 but I could not pay that account with my credit card because eftpos was down in that business. As I subsequently found out, eftpos was down in all the businesses not only in Hamilton but in Camperdown, in Portland and in Warrnambool as well. It also impacted on the ATM so nobody was able to get cash out. It literally brought the community to a standstill. So this is an important report.

As Telstra noted in its review this situation, 135 exchange services, 85 schools, 20 hospitals, 27 police stations, 92 fire stations and 14 SES services were affected by the outage. The one remaining telecommunication service in the region was the Optus 3G mobile network. Having spoken to Optus after the event, it was extraordinary that people, so desperately in need of communicating, rushed the Optus shop. They had to go to Ballarat to start shipping in telecommunications equipment so that they could feed the consumer demand. That is how reliant we are now on our telecommunications network.

The financial cost to the region was very hard to determine but the state government thought the financial impact was close to about $1 million a day. Any community cannot cope over a long period of time with that type of cost. It was interesting to see how a regional community and smaller regional communities were able to cope with this. It made me think that if a similar event occurred in an urban scenario where there are not the community networks which, fortunately, we have in regional and rural Australia, the impact could be twice as devastating.

The report prepared by RMIT and ACCAN contains some recommendations. It also surveyed responses. Some key elements of those were that 94.6 per cent of respondents suffered some inconvenience related to a business transaction; 69.8 per cent were unable or found it difficult to make vital purchases such as food or fuel; 86.5 per cent were unable to communicate with friends or family; and 24 per cent were unable to conduct business and had to shut down for some period of time. So businesses literally had to close. Over 60 per cent felt that the outage had a negative impact on community life. The authors came up with five recommendations, which are in the report. They are very good recommendations. Because of time constraints, I will not go into those.

Importantly, the report also came up with some recommendations with regard to survival plans, which other communities could learn from. There is a telecommunications survival plan for individuals, government and business. These are just single pages, but they provide very important information for government, business and members of the community to consider if a telephone exchange or any other event causes a communication outage. As we
found out in the south-west, the impact can be holistic and it can be way, way beyond what anyone would expect.

One reason that I want to table this report tonight is so that I can put these plans on the record here in the House. I encourage the government and others to make sure that communities are aware of these.

In summary, we should not underestimate the importance of telecommunications in today's modern society. It impacts every part of our lives, every part of the community's life, every part of government's ability to communicate with local communities and every part of how business transacts with its local communities. If there is damage to telecommunications networks, none of us should underestimate the impact it will have not only on us personally but also on our communities. This report is an important document when it comes to considering the impact that the Warrnambool Exchange fire had on my local community. I ask that the House take the time to read and consider this report and the implications of it. It is wide reaching and it could impact on any of us in this House as we go about doing our duties as local members. Mr Deputy Speaker, I seek leave to table this report.

Leave granted.

The DEPUTY SPEAKER (Mr Goodenough): The time for the grievance debate has expired. The debate is interrupted in accordance with standing order 192B. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

Federation Chamber adjourned at 19:54.
QUESTIONS IN WRITING

National Broadband Network

(Question No. 109)

Mr Fitzgibbon asked the Minister for Communications, in writing, on 13 May 2014:

When will each of the following towns in the electoral division of Hunter be served by fibre-to-the-premises technology for the delivery of highspeed broadband: (a) Aberdeen, (b) Aberglasslyn, (c) Branxton, (d) Broke, (e) Cassilis, (f) Cessnock, (g) Denman, (h) Gillieston Heights, (i) Greta, (j) Kandos, (k) Kurri Kurri, (l) Lochinvar, (m) Maitland, (n) Merriwa, (o) Mulbring, (p) Murrurundi, (q) Muswellbrook, (r) Pokolbin, (s) Rutherford, (t) Rylstone, (u) Scone, (v) Singleton, and (w) Wollombi.

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

Labor failed New South Wales in rolling out the NBN. Prior to the time of the last election, as at 2 September 2014 NBN Co had connected just 8,232 active brownfields users in New South Wales. In the following 8 months the Coalition Government has increased active NBN brownfields users in NSW by 3.5 times what Labor achieved in 6 years.

The Strategic review found that the fastest and most affordable way to deliver the NBN is to apply a mix of technologies based on their best fit with the infrastructure already in place. NBN Co is now making preparations to implement the Government's directions. NBN Co's review into the wireless and satellite programs has been completed and is available on its website.

The outcomes of these reviews will feed into the process of determining which areas of Australia will be serviced by which technology. Meanwhile, the Fibre to the Premises (FTTP) build is continuing and the areas where build has commenced or where services are available are listed on the NBN Co website.

Once these processes have been completed and NBN Co has stabilised the FTTP rollout, the company will be in a position to provide further details. NBN Co is working on a new rollout schedule which will indicate when different parts of Australia will be connected to the NBN and which technology will be used in those locations. We expect this information to be released in the second half of this year.

Importantly, areas with no or limited access to broadband will be prioritised and will receive upgrades on average 2 years sooner than they would have under Labor.

Truck Drivers

(Question No. 121)

Mr Kelvin Thomson asked the Minister representing the Minister for Employment, upon notice, on 13 May 2014:

Will the Minister reject requests from the Australian Trucking Association and or trucking companies to bring in truck drivers from overseas, and recommend that companies invest in job training and incomes that make the industry safer and more attractive to young people.

Mr Morrison: The answer to the honourable member's question is:

Any Australian employer is able to request access to the Labour Agreement programme. However, in their submission they must provide a reason why they are having difficulties in recruiting from the Australian domestic market as well as provide evidence of genuine on-going recruitment efforts. Employers must also commit to a yearly training benchmark to spend either one per cent of gross wages on the training of their Australian employees or pay two per cent of gross wages into an Australian industry fund.
Human Rights: Democratic People's Republic of Korea
(Question No. 135)

Mr Danby asked the Minister for Foreign Affairs, in writing, on 13 May 2014:

(1) In respect of the United Nations Office of Human Rights Commission of Inquiry on Human Rights in the Democratic People's Republic of Korea, is she aware (a) of the findings, and (b) that the Chair, Mr Michael Kirby, has appealed to the United Nations Security Council to refer the situation in the Democratic People's Republic of Korea, to the International Criminal Court (ICC).

(2) Is she aware that the United Nations Human Rights Council has adopted a resolution asking the United Nations Security Council to consider referring the situation in the Democratic People's Republic of Korea, to the ICC, and can she state Australia's position on this.

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

(1) (a) Yes.
(1) (b) Yes.

(2) Australia co-sponsored the UN Human Rights Council Resolution (adopted 28 March) calling for the UN Security Council (UNSC) to consider referring the situation in the DPRK to the ICC. Australia co-convened an informal meeting of UNSC members on 17 April to consider the Commission's recommendations and build a case for formal UNSC consideration of the Commission's report and its recommendations (including ICC referral).

Australian Water Holdings
(Question No. 144)

Mr Danby asked the Minister for Agriculture, in writing, on 13 May 2014:

On (a) how many occasions, and (b) what date(s), has the Minister met with Australian Water Holdings Pty Ltd chief executive Mr Nick Di Girolamo, and can the Minister provide the nature of each meeting.

Mr Joyce: The Minister for Agriculture has provided the following answer to the honourable member's question:

(a) None
(b) Not applicable.

Australian Water Holdings
(Question No. 150)

Mr Danby asked the Minister for Communications, in writing, on 13 May 2014:

On (a) how many occasions, and (b) what date(s), has the Minister met with Australian Water Holdings Pty Ltd chief executive Mr Nick Di Girolamo, and can the Minister provide the nature of each meeting.

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

The Minister has not had a meeting with Mr Di Girolamo.

Australian Water Holdings
(Question No. 152)

Mr Danby asked the Minister for the Environment, in writing, on 13 May 2014:
On (a) how many occasions, and (b) what date(s), has the Minister met with Australian Water Holdings Pty Ltd chief executive Mr Nick Di Girolamo, and can the Minister provide the nature of each meeting?

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

Between the 7 September 2013 and 11 June 2014 I have had no meetings with Australian Water Holdings Pty Ltd Chief Executive Mr Nick Di Girolamo.