INTERNET

The Votes and Proceedings for the House of Representatives are available at

Proof and Official Hansards for the House of Representatives,
the Senate and committee hearings are available at

For searching purposes use
http://parlinfo.aph.gov.au

SITTING DAYS—2015

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>9, 10, 11, 12, 23, 24, 25, 26</td>
</tr>
<tr>
<td>March</td>
<td>2, 3, 4, 5, 16, 17, 18, 19, 23, 24, 25</td>
</tr>
<tr>
<td>May</td>
<td>12, 13, 14, 25, 26, 27, 28</td>
</tr>
<tr>
<td>June</td>
<td>1, 2, 3, 4, 15, 16, 17, 18, 22, 23, 24, 25</td>
</tr>
<tr>
<td>August</td>
<td>10, 11, 12, 13, 17, 18, 19, 20</td>
</tr>
<tr>
<td>September</td>
<td>7, 8, 9, 10, 14, 15, 16, 17</td>
</tr>
<tr>
<td>October</td>
<td>12, 13, 14, 15, 19, 20, 21, 22</td>
</tr>
<tr>
<td>November</td>
<td>9, 10, 11, 12, 23, 24, 25, 26, 30</td>
</tr>
<tr>
<td>December</td>
<td>1, 2, 3</td>
</tr>
</tbody>
</table>

RADIO BROADCASTS

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

- ADELAIDE 972AM
- BRISBANE 936AM
- CANBERRA 103.9FM
- DARWIN 102.5FM
- HOBART 747AM
- MELBOURNE 1026AM
- PERTH 585AM
- SYDNEY 630AM

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

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

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

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

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

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

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

Printed by authority of the House of Representatives
<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abbott, The Hon. Anthony John</td>
<td>Warringah, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Albanese, The Hon. Anthony Norman</td>
<td>Grayndler, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Alexander, Mr John Gilbert OAM</td>
<td>Bennelong, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Andrews, Mrs Karen Lesley</td>
<td>McPherson, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Andrews, The Hon. Kevin James</td>
<td>Menzies, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Baldwin, The Hon. Robert Charles</td>
<td>Paterson, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Bandt, Mr Adam Paul</td>
<td>Melbourne, VIC</td>
<td>AG</td>
</tr>
<tr>
<td>Billson, The Hon. Bruce Fredrick</td>
<td>Dunkley, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Bird, The Hon. Sharon Leah</td>
<td>Cunningham, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Bishop, The Hon. Bronwyn Kathleen</td>
<td>Mackellar, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Bishop, The Hon. Julie Isabel</td>
<td>Curtin, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Bowen, The Hon. Chris Eyles</td>
<td>McMahon, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Briggs, The Hon. Jamie Edward</td>
<td>Mayo, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Broad, Mr Andrew John</td>
<td>Mallee, VIC</td>
<td>NATS</td>
</tr>
<tr>
<td>Broadbent, Mr Russell Evan</td>
<td>McMillan, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Brodtmann, Ms Gai Marie</td>
<td>Canberra, ACT</td>
<td>ALP</td>
</tr>
<tr>
<td>Brough, The Hon. Malcolm Thomas</td>
<td>Fisher, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Buchholz, Mr Scott</td>
<td>Wright, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Burke, Ms Anna Elizabeth</td>
<td>Chisholm, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Burke, The Hon. Anthony Stephen</td>
<td>Watson, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Butler, The Hon. Mark Christopher</td>
<td>Port Adelaide, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Butler, Ms Terri Megan</td>
<td>Griffith, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Byrne, The Hon. Anthony Michael</td>
<td>Holt, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Chalmers, Dr James Edward</td>
<td>Rankin, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Champion, Mr Nicholas David</td>
<td>Wakefield, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Chester, The Hon. Darren</td>
<td>Gippsland, VIC</td>
<td>NATS</td>
</tr>
<tr>
<td>Chesters, Ms Lisa Marie</td>
<td>Bendigo, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Christensen, Mr George Robert</td>
<td>Dawson, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Ciobo, The Hon. Steven Michele</td>
<td>Moncrieff, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Clare, The Hon. Jason Dean</td>
<td>Blaxland, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Claydon, Ms Sharon Catherine</td>
<td>Newcastle, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Cobb, The Hon. John Kenneth</td>
<td>Calare, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Coleman, Mr David Bernard</td>
<td>Banks, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Collins, The Hon. Julie Maree</td>
<td>Franklin, TAS</td>
<td>ALP</td>
</tr>
<tr>
<td>Conroy, Mr Patrick Martin</td>
<td>Charlton, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Coulton, Mr Mark Maclean</td>
<td>Parkes, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Danby, The Hon. Michael</td>
<td>Melbourne Ports, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Dreyfus, The Hon. Mark Alfred QC</td>
<td>Isaacs, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Dutton, The Hon. Peter Craig</td>
<td>Dickson, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Elliott, The Hon. Maria Justine</td>
<td>Richmond, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Ellis, The Hon. Katherine Margaret</td>
<td>Adelaide, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Entsch, The Hon. Warren George</td>
<td>Leichhardt, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Feeney, The Hon. David</td>
<td>Batman, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Ferguson, Mr Laurie Donald Thomas</td>
<td>Werriwa, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Fitzgibbon, The Hon. Joel Andrew</td>
<td>Hunter, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Fletcher, The Hon. Paul William</td>
<td>Bradfield, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Frydenberg, The Hon. Joshua Anthony</td>
<td>Kooyong, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Gambaro, The Hon. Teresa</td>
<td>Brisbane, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Members</td>
<td>Division</td>
<td>Party</td>
</tr>
<tr>
<td>----------------------------</td>
<td>--------------</td>
<td>-------</td>
</tr>
<tr>
<td>Giles, Mr Andrew James</td>
<td>Scullin, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Gillespie, Dr David Arthur</td>
<td>Lyne, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Goodenough, Mr Ian Reginald</td>
<td>Moore, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Gray, The Hon. Gary AO</td>
<td>Brand, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Griffin, The Hon. Alan Peter</td>
<td>Bruce, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Griggs, Mrs Natasha Louise</td>
<td>Solomon, NT</td>
<td>CLP</td>
</tr>
<tr>
<td>Hall, Ms Jill Griffths</td>
<td>Shortland, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Hartsuyker, The Hon. Luke</td>
<td>Cowper, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Hawke, Mr Alexander George</td>
<td>Mitchell, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Hayes, Mr Christopher Patrick</td>
<td>Fowler, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Henderson, Ms Sarah Moya</td>
<td>Corangamite, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Hendy, Dr Peter William</td>
<td>Eden-Monaro, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Hockley, The Hon. Joseph Benedict</td>
<td>North Sydney, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Hogan, Mr Kevin John</td>
<td>Page, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Howarth, Mr Luke Ronald</td>
<td>Petrie, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Hunt, The Hon. Gregory Andrew</td>
<td>Flinders, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Husic, The Hon. Edham Nurredden</td>
<td>Chifley, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Hutchinson, Mr Eric Russell</td>
<td>Lyons, TAS</td>
<td>LP</td>
</tr>
<tr>
<td>Irons, Mr Stephen James</td>
<td>Swan, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Jensen, Dr Dennis Geoffrey</td>
<td>Tangney, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Jones, Mr Ewen Thomas</td>
<td>Herbert, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Jones, Mr Stephen Patrick</td>
<td>Throsby, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Katter, The Hon. Robert Carl</td>
<td>Kennedy, QLD</td>
<td>AUS</td>
</tr>
<tr>
<td>Keenan, The Hon. Michael</td>
<td>Stirling, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Kelly, Mr Craig</td>
<td>Hughes, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>King, The Hon. Catherine Fiona</td>
<td>Ballarat, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Laming, Mr Andrew</td>
<td>Bowman, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Landry, Ms Michelle Leanne</td>
<td>Capricornia, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Laundy, Mr Craig</td>
<td>Reid, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Leigh, The Hon. Dr Andrew Keith</td>
<td>Fraser, ACT</td>
<td>ALP</td>
</tr>
<tr>
<td>Ley, The Hon. Sussan Penelope</td>
<td>Farrer, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Macfarlane, The Hon. Ian Elgin</td>
<td>Groom, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Macklin, The Hon. Jennifer Louise</td>
<td>Jagajaga, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>MacTierman, The Hon. Alannah Joan Geraldine Cecilia</td>
<td>Perth, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Marino, Ms Nola Bethwyn</td>
<td>Forrest, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Markus, Mrs Louise Elizabeth</td>
<td>Macquarie, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Marles, The Hon. Richard Donald</td>
<td>Corio, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Matheson, Mr Russell Glenn</td>
<td>Macarthur, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>McCormack, The Hon. Michael Francis</td>
<td>Riverina, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>McGowan, Ms Catherine AO</td>
<td>Indi, VIC</td>
<td>IND.</td>
</tr>
<tr>
<td>McNamara, Mrs Karen Jane</td>
<td>Dobell, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Mitchell, Mr Robert George</td>
<td>McEwen, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Morrison, The Hon. Scott John</td>
<td>Cook, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Neumann, The Hon. Shayne Kenneth</td>
<td>Blair, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Nikolic, Mr Andrew Alexander AM, CSC</td>
<td>Bass, TAS</td>
<td>LP</td>
</tr>
<tr>
<td>O'Connor, The Hon. Brendan Patrick John</td>
<td>Gorton, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>O'Dowd, Mr Kenneth Desmond</td>
<td>Flynn, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Members</td>
<td>Division</td>
<td>Party</td>
</tr>
<tr>
<td>---------</td>
<td>----------</td>
<td>-------</td>
</tr>
<tr>
<td>O'Dwyer, The Hon. Ms Kelly Megan</td>
<td>Higgins, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>O'Neil, Ms Clare Ellen</td>
<td>Hotham, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Owens, Ms Julie</td>
<td>Parramatta, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Palmer, Mr Clive Fredericke</td>
<td>Fairfax QLD</td>
<td>PUP</td>
</tr>
<tr>
<td>Parke, The Hon. Melissa</td>
<td>Fremantle, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Pasin, Mr Antony</td>
<td>Barker, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Perrett, Mr Graham Douglas</td>
<td>Moreton, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Pitt, Mr Keith John</td>
<td>Hinkler, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Plibersek, The Hon. Tanya Joan</td>
<td>Sydney, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Porter, The Hon. Charles Christian</td>
<td>Pearce, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Prentice, Mrs Jane</td>
<td>Ryan, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Price, Ms Melissa Lee</td>
<td>Durack, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Pyne, The Hon. Christopher Maurice</td>
<td>Sturt, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Ramsey, Mr Rowan Eric</td>
<td>Grey, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Randall, Mr Don James</td>
<td>Canning, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Ripoll, The Hon. Bernard Fernando</td>
<td>Oxley, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Rishworth, The Hon. Amanda Louise</td>
<td>Kingston, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Robb, The Hon. Andrew John AO</td>
<td>Goldstein, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Robert, The Hon. Stuart Rowland</td>
<td>Fadden, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Rowland, Ms Michelle Anne</td>
<td>Greenway, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Roy, Mr Wyatt</td>
<td>Longman, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Ruddock, The Hon. Philip Maxwell</td>
<td>Berowra, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Ryan, Ms Joanne Catherine</td>
<td>Lalor, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Scott, The Hon. Bruce Craig</td>
<td>Maranoa, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Scott, Ms Fiona Meryl</td>
<td>Lindsay, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Shorten, The Hon. William Richard</td>
<td>Maribyrnong, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Simpkins, Mr Luke Xavier Linton</td>
<td>Cowan, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Smith, The Hon. Anthony David Hawthorn</td>
<td>Casey, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Snowdon, The Hon. Warren Edward</td>
<td>Lingiari, NT</td>
<td>ALP</td>
</tr>
<tr>
<td>Southcott, Dr Andrew John</td>
<td>Boothby, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Stone, The Hon. Dr Sharman Nancy</td>
<td>Murray, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Sudmalis, Ms Ann Elizabeth</td>
<td>Gilmore, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Sukkar, Mr Michael</td>
<td>Deakin, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Swan, The Hon. Wayne Maxwell</td>
<td>Lilley, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Taylor, Mr Angus James</td>
<td>Hume, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Tehan, Mr Daniel Thomas (Dan)</td>
<td>Wannon, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Thistlethwaite, Mr Matthew James</td>
<td>Kingsford Smith, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Thomson, The Hon. Kelvin John</td>
<td>Wills, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Truss, The Hon. Warren Errol</td>
<td>Wide Bay, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Tudge, The Hon. Alan Edward</td>
<td>Aston, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Turnbull, The Hon. Malcolm Bligh</td>
<td>Wentworth, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Vamvakinou, Ms Maria</td>
<td>Calwell, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>van Manen, Mr Albertus Johannes</td>
<td>Forde, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Varvaris, Mr Nickolas</td>
<td>Barton, NSW</td>
<td></td>
</tr>
<tr>
<td>Vasta, Mr Ross Xavier</td>
<td>Bonner, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Watts, Mr Timothy Graham</td>
<td>Gellibrand, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Whiteley, Mr Brett David</td>
<td>Braddon, TAS</td>
<td>LP</td>
</tr>
<tr>
<td>Wicks, Mrs Lucy Elizabeth</td>
<td>Robertson, NSW</td>
<td>LP</td>
</tr>
</tbody>
</table>
### Members of the House of Representatives

<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wilkie, Mr Andrew Damien</td>
<td>Denison, TAS</td>
<td>IND.</td>
</tr>
<tr>
<td>Williams, Mr Matthew</td>
<td>Hindmarsh, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Wilson, Mr Richard James</td>
<td>O'Connor, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Wood, Mr Jason Peter</td>
<td>La Trobe, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Wyatt, Mr Kenneth George AM</td>
<td>Hasluck, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Zappia, Mr Antonio</td>
<td>Makin, SA</td>
<td>ALP</td>
</tr>
</tbody>
</table>

### 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

### Heads of Parliamentary Departments

Clerk of the Senate—R Laing  
Clerk of the House of Representatives—D Elder  
Secretary, Department of Parliamentary Services—C Mills  
Parliamentary Budget Officer—P Bowen
# ABBOTT MINISTRY

<table>
<thead>
<tr>
<th>Title</th>
<th>Minister</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime Minister</td>
<td>The Hon. Tony Abbott MP</td>
</tr>
<tr>
<td>Minister for Indigenous Affairs</td>
<td>Senator the Hon. Nigel Scullion</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for the Public Service</td>
<td>Senator the Hon. Michaela Cash</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for Women</td>
<td>The Hon. Charles Porter MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon. Alan Tudge MP</td>
</tr>
<tr>
<td>Minister for Infrastructure and Regional Development (Deputy Prime Minister)</td>
<td>The Hon. Warren Truss MP</td>
</tr>
<tr>
<td>Assistant Minister for Infrastructure and Regional Development</td>
<td>The Hon. Jamie Briggs MP</td>
</tr>
<tr>
<td>Minister for Foreign Affairs</td>
<td>The Hon. Julie Bishop MP</td>
</tr>
<tr>
<td>Minister for Trade and Investment</td>
<td>The Hon. Andrew Robb AO MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Foreign Affairs</td>
<td>The Hon. Steven Ciobo MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Trade and Investment</td>
<td>The Hon. Steven Ciobo MP</td>
</tr>
<tr>
<td>Minister for Employment (Leader of the Government in the Senate)</td>
<td>Senator the Hon. Eric Abetz</td>
</tr>
<tr>
<td>Assistant Minister for Employment (Deputy Leader of the House)</td>
<td>The Hon. Luke Hartsuyker MP</td>
</tr>
<tr>
<td>Attorney-General</td>
<td>Senator the Hon. George Brandis QC</td>
</tr>
<tr>
<td>Minister for the Arts (Vice-President of the Executive Council)</td>
<td>Senator the Hon. George Brandis QC</td>
</tr>
<tr>
<td>(Deputy Leader of the Government in the Senate)</td>
<td></td>
</tr>
<tr>
<td>Minister for Justice</td>
<td>The Hon. Michael Keenan MP</td>
</tr>
<tr>
<td>Treasurer</td>
<td>The Hon. Joe Hockey MP</td>
</tr>
<tr>
<td>Minister for Small Business</td>
<td>The Hon. Bruce Billson MP</td>
</tr>
<tr>
<td>Assistant Treasurer</td>
<td>The Hon. Joshua Frydenberg MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon. Kelly O'Dwyer</td>
</tr>
<tr>
<td>Minister for Agriculture (Leader of the House)</td>
<td>The Hon. Barnaby Joyce MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Agriculture</td>
<td>Senator the Hon. Richard Colbeck</td>
</tr>
<tr>
<td>Minister for Education and Training (Leader of the House)</td>
<td>The Hon. Christopher Pyne MP</td>
</tr>
<tr>
<td>Assistant Minister for Education and Training (Deputy Leader of the House)</td>
<td>Senator the Hon. Simon Birmingham</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Education and Training</td>
<td>Senator the Hon. Scott Ryan</td>
</tr>
<tr>
<td>Minister for Social Services</td>
<td>The Hon. Scott Morrison MP</td>
</tr>
<tr>
<td>Assistant Minister for Social Services (Manager of Government Business in the Senate)</td>
<td>Senator the Hon. Mitch Fifield</td>
</tr>
<tr>
<td>Minister for Human Services</td>
<td>Senator the Hon. Marise Payne</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Social Services</td>
<td>Senator the Hon. Concetta Fierravanti-Wells</td>
</tr>
<tr>
<td>Minister for Industry and Science (Parliamentary Secretary to the Minister for Industry and Science)</td>
<td>The Hon. Ian Macfarlane MP</td>
</tr>
<tr>
<td>Minister for Defence (Parliamentary Secretary to the Minister for Defence)</td>
<td>The Hon. Karen Andrews MP</td>
</tr>
<tr>
<td>Minister for Veterans' Affairs</td>
<td>The Hon. Kevin Andrews MP</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for the Centenary of</td>
<td>Senator the Hon. Michael Ronaldson</td>
</tr>
<tr>
<td>vi</td>
<td></td>
</tr>
<tr>
<td>Title</td>
<td>Minister</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td><strong>ANZAC</strong></td>
<td></td>
</tr>
<tr>
<td>Assistant Minister for Defence</td>
<td>The Hon. Stuart Robert MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Defence</td>
<td>The Hon. Darren Chester MP</td>
</tr>
<tr>
<td><strong>Minister for Communications</strong></td>
<td></td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Communications</td>
<td>The Hon. Malcolm Turnbull MP</td>
</tr>
<tr>
<td><strong>Minister for Immigration and Border Protection</strong></td>
<td></td>
</tr>
<tr>
<td>Assistant Minister for Immigration and Border Protection</td>
<td>The Hon. Peter Dutton MP</td>
</tr>
<tr>
<td><strong>Minister for the Environment</strong></td>
<td></td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for the Environment</td>
<td>The Hon. Paul Fletcher MP</td>
</tr>
<tr>
<td><strong>Minister for the Environment</strong></td>
<td></td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for the Environment</td>
<td>The Hon. Michaelia Cash</td>
</tr>
<tr>
<td><strong>Minister for Finance</strong></td>
<td></td>
</tr>
<tr>
<td>Special Minister of State</td>
<td>Senator the Hon. Mathias Cormann</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Finance</td>
<td>Senator the Hon. Michael Ronaldson</td>
</tr>
<tr>
<td><strong>Minister for Health</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Minister for Sport</strong></td>
<td></td>
</tr>
<tr>
<td>Assistant Minister for Health</td>
<td>The Hon. Sussan Ley MP</td>
</tr>
<tr>
<td></td>
<td>Senator the Hon. Fiona Nash</td>
</tr>
</tbody>
</table>

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.
### SHADOW MINISTRY

<table>
<thead>
<tr>
<th>TITLE</th>
<th>SHADOW MINISTER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leader of the Opposition</td>
<td>Hon Bill Shorten MP</td>
</tr>
<tr>
<td>Shadow Minister Assisting the Leader for Science</td>
<td>Senator the Hon Kim Carr</td>
</tr>
<tr>
<td>Shadow Minister Assisting the Leader for Small Business</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Small Business</td>
<td>Julie Owens MP</td>
</tr>
<tr>
<td>Shadow Cabinet Secretary</td>
<td>Senator the Hon Jacinta Collins</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Hon Michael Danby MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Dr Jim Chalmers MP</td>
</tr>
<tr>
<td>Deputy Leader of the Opposition</td>
<td>Hon Tanya Plibersek MP</td>
</tr>
<tr>
<td>Shadow Minister for Foreign Affairs and International Development</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Women</td>
<td>Senator Claire Moore</td>
</tr>
<tr>
<td>Manager of Opposition Business (Senate)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for the Centenary of ANZAC</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Foreign Affairs</td>
<td>Hon Matt Thistlethwaite MP</td>
</tr>
<tr>
<td>Deputy Leader of the Opposition in the Senate</td>
<td>Senator the Hon Penny Wong</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Trade and Investment</td>
<td>Dr Jim Chalmers MP</td>
</tr>
<tr>
<td>Shadow Minister for Defence</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Shadow Minister for Veterans' Affairs</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Defence</td>
<td>Gai Brodtmann MP</td>
</tr>
<tr>
<td>Shadow Minister for Infrastructure and Transport</td>
<td>Hon Anthony Albanese MP</td>
</tr>
<tr>
<td>Shadow Minister for Cities</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Tourism</td>
<td>Hon Julie Collins MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Regional Development and Infrastructure</td>
<td>Hon Alannah MacTiernan MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Western Australia</td>
<td>Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Shadow Treasurer</td>
<td>Hon Chris Bowen MP</td>
</tr>
<tr>
<td>Shadow Assistant Treasurer</td>
<td>Hon Dr Andrew Leigh MP</td>
</tr>
<tr>
<td>Shadow Minister for Competition</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Financial Services and Superannuation</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Shadow Treasurer</td>
<td>Hon Ed Husic MP</td>
</tr>
<tr>
<td>Shadow Minister for Finance</td>
<td>Hon Tony Burke MP</td>
</tr>
<tr>
<td>Manager of Opposition Business (House)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Environment, Climate Change and Water</td>
<td>Hon Mark Butler MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Environment, Climate Change and Water</td>
<td>Senator the Hon Lisa Singh</td>
</tr>
<tr>
<td>Shadow Minister for Higher Education, Research, Innovation and Industry</td>
<td>Senator the Hon Kim Carr</td>
</tr>
<tr>
<td>Shadow Minister for Vocational Education</td>
<td>Hon Sharon Bird MP</td>
</tr>
<tr>
<td>Shadow Assistant Minister for Higher Education</td>
<td>Hon Amanda Rishworth MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Manufacturing</td>
<td>Tony Zappia MP</td>
</tr>
<tr>
<td>TITLE</td>
<td>SHADOW MINISTER</td>
</tr>
<tr>
<td>-------</td>
<td>----------------</td>
</tr>
<tr>
<td>Shadow Minister for Communications</td>
<td>Hon Jason Clare MP</td>
</tr>
<tr>
<td>Shadow Assistant Minister for Communications</td>
<td>Michelle Rowland MP</td>
</tr>
<tr>
<td>Shadow Attorney General</td>
<td>Hon Mark Dreyfus QC MP</td>
</tr>
<tr>
<td>Shadow Minister for the Arts</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Deputy Manager of Opposition Business (House)</td>
<td>Graham Perrett MP</td>
</tr>
<tr>
<td>Shadow Minister for Justice</td>
<td>Hon Michael Danby MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Shadow Attorney General</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Arts</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Education</td>
<td>Hon Kate Ellis MP</td>
</tr>
<tr>
<td>Shadow Minister for Early Childhood</td>
<td>Hon Amanda Rishworth MP</td>
</tr>
<tr>
<td>Shadow Assistant Minister for Education</td>
<td>Julie Owens MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Education</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Agriculture</td>
<td>Hon Joel Fitzgibbon MP</td>
</tr>
<tr>
<td>Shadow Minister for Resources</td>
<td>Hon Gary Gray AO MP</td>
</tr>
<tr>
<td>Shadow Minister for Northern Australia</td>
<td></td>
</tr>
<tr>
<td>Shadow Special Minister of State</td>
<td>Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Northern Australia</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Health</td>
<td>Hon Catherine King MP</td>
</tr>
<tr>
<td>Shadow Assistant Minister for Health</td>
<td>Stephen Jones MP</td>
</tr>
<tr>
<td>Shadow Minister for Mental Health</td>
<td>Senator Hon Jan McLucas</td>
</tr>
<tr>
<td>Shadow Minister for Sport</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Health</td>
<td>Nick Champion MP</td>
</tr>
<tr>
<td>Shadow Minister for Families and Payments</td>
<td>Hon Jenny Macklin MP</td>
</tr>
<tr>
<td>Shadow Minister for Disability Reform</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Human Services</td>
<td>Senator the Hon Doug Cameron</td>
</tr>
<tr>
<td>Shadow Minister for Housing and Homelessness</td>
<td>Senator the Hon Jan McLucas</td>
</tr>
<tr>
<td>Shadow Minister for Carers</td>
<td>Senator Claire Moore</td>
</tr>
<tr>
<td>Shadow Minister for Communities</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Families and Payments</td>
<td>Senator Carol Brown</td>
</tr>
<tr>
<td>Shadow Minister for Immigration and Border Protection</td>
<td>Hon Richard Marles MP</td>
</tr>
<tr>
<td>Shadow Minister for Citizenship and Multiculturalism</td>
<td>Michelle Rowland MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Immigration</td>
<td>Hon Matt Thistlethwaite MP</td>
</tr>
<tr>
<td>Shadow Minister for Indigenous Affairs</td>
<td>Hon Shayne Neumann MP</td>
</tr>
<tr>
<td>Shadow Minister for Ageing</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Indigenous Affairs</td>
<td>Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Aged Care</td>
<td>Senator Helen Polley</td>
</tr>
<tr>
<td>Shadow Minister for Employment and Workplace Relations</td>
<td>Hon Brendan O'Connor MP</td>
</tr>
<tr>
<td>Shadow Minister for Employment Services</td>
<td>Hon Julie Collins MP</td>
</tr>
</tbody>
</table>
CONTENTS

TUESDAY, 24 FEBRUARY 2015

Chamber
BILL S—
Higher Education and Research Reform Bill 2014—
Second Reading ................................................................. 1059

STATEMENTS BY MEMBERS—
Lindsay Electorate: Bushfires ........................................... 1079
Workplace Relations ......................................................... 1080
Bass Electorate: Symphony Under the Stars .......................... 1080
Workplace Relations ......................................................... 1081
Defence Procurement ....................................................... 1081
Ovarian Cancer Awareness Month ...................................... 1082
Trade: Middle East ........................................................ 1082
Workplace Relations ......................................................... 1083
East West Link .................................................................. 1083
Abbott Government ............................................................ 1084
Hindmarsh Electorate: West Beach Surf Life Saving Club ....... 1084
Abbott Government ............................................................ 1084
Food Labelling .................................................................. 1085
Workplace Relations ......................................................... 1085
Environment ...................................................................... 1086
Abbott Government ............................................................ 1086
Flynn Electorate: Aboriginal Ranger Program ....................... 1087
Abbott Government ............................................................ 1087
Brisbane Electorate: Mates4Mates ....................................... 1088
Workplace Relations ......................................................... 1088

QUESTIONS WITHOUT NOTICE—
Australian Human Rights Commission ............................... 1088
National Security .............................................................. 1091
Australian Human Rights Commission ............................... 1091
National Security .............................................................. 1092
Iraq and Syria .................................................................... 1092
Australian Human Rights Commission ............................... 1093
Rail Infrastructure .............................................................. 1094
National Security .............................................................. 1095
National Security .............................................................. 1096
Asylum Seekers ............................................................... 1096
Abbott Government ........................................................... 1098
Defence ............................................................................ 1098
Abbott Government ........................................................... 1099
Economy ........................................................................... 1100
Abbott Government ........................................................... 1101
Small Business ................................................................. 1101
Medicare .......................................................................... 1102
CONTENTS—continued

Tax Avoidance .................................................................................................................. 1103
Australian Human Rights Commission .............................................................................. 1104
WestConnex .......................................................................................................................... 1104
Australia Day Honours ................................................................................................. 1105
Education ............................................................................................................................. 1105
National Security ............................................................................................................... 1106
Social Services ................................................................................................................... 1107
COMMITTEES—
Selection Committee—
  Membership ...................................................................................................................... 1108
PERSONAL EXPLANATIONS.............................................................................................. 1108
MATTERS OF PUBLIC IMPORTANCE—
  Workplace Relations ..................................................................................................... 1109
PERSONAL EXPLANATIONS.............................................................................................. 1124
BILLS—
  Higher Education and Research Reform Bill 2014—
    Second Reading............................................................................................................. 1124
BUSINESS—
  Rearrangement ............................................................................................................... 1167
DOCUMENTS—
  Department of the Prime Minister and Cabinet—
    Consideration .................................................................................................................. 1167
BILLS—
  Tax and Superannuation Laws Amendment (2014 Measures No. 7) Bill 2014—
    Second Reading............................................................................................................. 1184
ADJOURNMENT—
  Scullin Electorate: Road and Rail Infrastructure ............................................................... 1189
  Petrie Electorate: Maternity Services .............................................................................. 1190
  Business Enterprise Centre Ipswich Region ................................................................. 1191
  Tasmania: Infrastructure ............................................................................................... 1193
  Lane, Mr Denis Christopher ......................................................................................... 1194
  Swan-Canning River Recovery Program .................................................................... 1196
NOTICES ............................................................................................................................ 1197
The SPEAKER (Hon. Bronwyn Bishop) took the chair at 12:00, made an
acknowledgement of country and read prayers.

BILLS

Higher Education and Research Reform Bill 2014

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr WILKIE (Denison) (12:01): It is truly regrettable, and unavoidable, that so many
politicians in this country—at both the federal and state level and across a number of political
parties—talk up the value of education but are, in reality, only paying lip-service to the value
of education. There is a good demonstration of that, here in this place today, with these
proposals by the government to deregulate the tertiary sector. I will talk more about that in a
moment, but perhaps I will start by talking to my introduction and my concern that so many
politicians seem to pay lip-service to the value of education.

In Tasmania right now, the Tasmanian state Liberal government has embarked on a
program of cutbacks to primary schools, high schools and colleges which is having a terribly
serious impact on the public education system: the students, the teachers and the other staff in
those schools. That is going on right now. In fact, Tasmanian primary schools at the moment
are losing, on average, two staff members. Tasmanian colleges are losing right now, on
average, four staff members. This is having all sorts of serious implications for those schools.
The state education minister has said that, on average, Tasmanian class sizes will stay at
around 25, or no more than 25; but I have people contacting me in my office every day now
talking about class sizes of 29, 30, 31 or 32—in rooms that are made for probably 20 desks.
We are also seeing, apart from the increased class sizes, programs being cut; in particular
language programs, music programs, interschool sporting carnivals and so on. All of those
really important parts of a person's education are being cut in schools in Tasmania. In
particular, kids with special needs are now getting less and less support—kids with learning
difficulties and kids with autism, and also gifted students. There is a whole range of children
in the Tasmanian public education system who are not getting the support they need which, of
course, has a knock-on effect for the teachers who are having to work that much harder and
are not getting the support they need. The more a teacher has to focus on one particular
student with a special need, the more the rest of the class is disadvantaged. That is just in
Tasmania, just in the public education system. We are seeing politicians there paying lip-
service to the value of education.

It is not just the Liberal Party; I will have a go at the Labor Party as well. When it comes to
the tertiary sector, it was the Gillard and Rudd governments that stripped some $4,000 million
out of education funding over the forward estimates, leaving our universities some $1 billion
a year underfunded—before this government even came along. The point is—and it is the
underlying point of the debate we are having here today—that politicians at state and federal
levels, both Labor and Liberal, talk up how much they value education, but the reality is they
are not demonstrating any commitment. They are not funding education as well as we could in Australia.

Let us face it: we live in a very rich and very fortunate country. The budget varies from year to year, but it hovers around $400,000 million dollars a year. Surely that is enough money to properly fund the public education system in this country at every level—from early childhood education, through primary school, high school, colleges, technical and further education and the tertiary sector. There is enough money; it is all about priorities. Yet we are not properly funding our education in this country.

Why should we value education? Why should we be putting more money in? There are many reasons. For a start, knowledge has an inherent value. It is good for a country and for a community to have more knowledge. It inherently enriches us and our community. It greatly advantages the individuals who are able to benefit from a better education. It is well documented—and self-evident—that if you can give people a better education at every level, or at any level, those people are better off. In particular, it lifts people out of poverty. If someone is better trained and better qualified, they can get a better job. They can get on better in their life; it lifts them out of poverty. It makes for a healthier community. The fact is that better educated people will tend to know how to live a healthier lifestyle; they will tend to be able to afford a healthier lifestyle and healthier food—fruit and veggies. They will be able to afford to go to the doctor. They will be a healthier community. It opens up wonderful opportunities for them. One of the surest ways to lift disadvantaged people out of that disadvantage is to give them a good education, including giving them access, on academic merit, to higher education and to a university education, because that is one of the most tangible ways to help those people from disadvantaged backgrounds.

It also makes for a wealthier country, a better country and a more successful country. I think it is very telling that, against our trading partners, Australia is falling behind when it comes to our education and our education outcomes. In fact, it was easy to find just this morning a survey out of the UK that ranked Australia 13th, broadly speaking, when it comes to education outcomes compared to other countries. It was interesting that above us there was South Korea, Hong Kong, Japan and Singapore—and much is made of the way China and the Chinese education system is going from strength to strength and becoming a real education powerhouse. That will give our trading partners, our competitors in the community of nations, great advantages over us that will disadvantage us down the track, not the least of which is the fact that we will become less attractive as a source of education for foreign fee-paying students compared to other countries. Why would someone come from China to Australia to a university that is falling further and further behind in the international rankings when in future they could stay in China at one of their increasing number of even better universities?

I want to talk more specifically to the reforms that are on the table right now. I did not support the first version of these reforms and I will not support this version and this bill. Frankly, I am sure I talk for a great many people when I say that the move to make universities a market-based industry through deregulation is fundamentally bad. It is a bad decision and not something we need to do in this country. We are a rich and fortunate country that can afford to properly fund universities with public money. The fact is that moving to a market-based system will make courses dearer. That is self-evident and has been well documented now. A number of commentators and professional bodies in the community are
saying that, if this move to deregulate and to move to a market-based industry is allowed to go ahead, then courses will become dearer. It is as simple as that.

As courses become dearer who will be the first people to be disadvantaged? People on lower incomes. This is all fine. It is not helpful, Madam Speaker, that you are shaking your head when I am giving my speech. It is self-evident and well remarked upon that the move to deregulation will result in dearer courses and that will fundamentally disadvantage people from disadvantaged backgrounds. But they will not be the only people who will find it harder to be educated in a deregulated tertiary sector. What about older students? People who are at university retraining for a bright second career will have less time in the workforce to be able to pay that increased debt. So too will women because women tend to spend obviously less time in the workforce so they have less time to pay back their HECS debt.

As you increase the cost of courses—and that will be a tangible outcome of these reforms—it will fundamentally disadvantage people on lower incomes and from lower income families, older students who will have less time to pay off the greater cost of that education and women who will have less time in the workforce to pay back the greater cost of that education. Within the sector itself it will fundamentally disadvantage smaller and regional universities, such as the University of Tasmania in my home state of Tasmania, right around this country. It will disadvantage smaller and regional universities because it is not a level playing field. In a market-based tertiary industry these smaller universities, which perhaps are more remote, offer fewer courses and are not as prestigious, will not be as attractive in a deregulated industry and they will struggle to compete with the big fancy universities in places like Sydney, Melbourne and the other capital cities.

As universities like the University of Tasmania struggle to compete what does it mean for outposts like the Burnie and Launceston campuses, which currently run at a loss but can be cross-subsidised because of the current arrangements? It will become more and more tempting for the University of Tasmania to cut unprofitable courses and to cut unprofitable campuses. Again that will disadvantage people in those regions, which are populated with a disproportionate number of disadvantaged people and which already have a much lower level of engagement in tertiary education compared to the big cities.

It is simply not good enough and it is not necessary to deregulate tertiary education in this country. It is not necessary to move to a market-based education industry when we have a very fine tradition of doing it the way we have been doing it and we certainly have the wealth to keep doing it that way. In fact, what is needed is not deregulation and less money; what is needed is more money. What we need to do for a start is to reinstate the $4 billion that was taken out of the universities by the former Labor government. That is the sort of thing this government should be looking to do and that is the sort of thing this government can afford to do. Yes, there is an need for budget repair, but surely with a budget of around $400,000 million we could find that $4 billion to restore the funding to its historic level. Then we should be looking to the future and how we can go beyond that and get up to the OECD average because, regrettably, at the moment our universities are funded at about 0.7 per cent of GDP compared to the OECD average of one per cent.

At a time when we are looking to cut back on our funding for the universities we should instead be looking to find the money—and the money is there with the right priorities—to get our universities at least up to the level of funding of other members of the OECD, who are our
competitors in the global marketplace for the education dollar and foreign fee-paying students.

Candidates and parties make a lot of promises prior to an election. The other day the member for Indi handed me a report reminding me the Nationals went to the last federal election promising a tertiary access allowance of $10,000 to try and bridge the financial divide between city and country students. So where are the Nationals on this? I would have thought that the National Party in particular would be standing up to the Liberal Party and the education minister on this. The Nationals members of this parliament represent not only a lot of regional and rural universities but also all of those students, who were promised an awful lot before the last federal election which is not being delivered. Instead, what is being delivered is the promise of deregulation and a market based system that will make courses dearer, disadvantage regional and country universities, disadvantage people from poorer backgrounds, disadvantage older students and disadvantage women. The only people it will advantage is the government—which will have to pay less money to universities in the future—and the big eight universities, who are rubbing their hands together. These universities can charge whatever they want because they are big and prestigious. "Don't worry about the rest, like the University of Tasmania"—that is what they are thinking.

Mr PASIN (Barker) (12:16): I rise to speak in support of the Higher Education and Research Reform Bill 2014. Before I go into detail, I have to address some of the comments that have been made by the member for Denison. I am a little confused—and, granted, with my limited intellectual capacity that is easily done. The member for Denison bemoans the fact that tertiary institutions in this country seem to be falling in the global tables, and yet he wants to argue against this bill and therefore keep them hamstrung in terms of the reforms that will facilitate their transition into the next generation. We need to keep at heart the fact that the higher education system in this country needs support and needs to be freed from the rather restrictive legislative architecture that is placed around it.

The Higher Education and Research Reform Bill 2014 is important for Australia—of course it is. It provides necessary reform to keep our universities, TAFEs and colleges competitive. And it contains wins for many, including students from low-socioeconomic circumstances, our best researchers and our key industries which rely on skills oriented education and training as well as professionals. The bill represents the most significant reform to Australia's higher education sector in a generation. It has major benefits for students. The coalition's job—indeed, the job of any government in this place on education—is to widen opportunity to give everyone the chance of a tertiary education. Despite this, Labor and the Greens are sticking to an old, outdated and costly model that everybody in higher education knows is no longer working.

The government's higher education reform package has enormous benefits for students. It means they will be able to get an education of the quality they want—a truly world-class education—in the courses they want, with the support they want and at the price they need. Universities and other higher education providers are having to compete for students, which means students win. As Belinda Robinson of Universities Australia said recently, it is simply not possible to maintain the standards that students expect, or the international reputation that Australia's university system enjoys, without full fee deregulation.
The government will create the Commonwealth Scholarship scheme, the largest scheme of its type in Australian history. This will mean tens of thousands of disadvantaged students will get assistance to study in higher education. The government will introduce a new scholarship fund within the Higher Education Participation program for universities with a high level of low-SES students. The Commonwealth will for the first time be supporting all Australian undergraduate students in all registered higher education institutions in higher education diplomas, advanced diplomas, associate degrees and bachelor degrees. In supporting students in higher education diplomas, advanced diplomas, and associate degrees we will be supporting students in pathways into higher education and in diploma courses that provide them with skills for jobs. By supporting Australian students in whatever higher education institution they choose to study with—a public or private university or a non-university higher education provider, including many TAFEs—we will see lower fees for many students as the Council of Private Higher Education has confirmed. This expansion of the demand driven system will benefit over 80,000 students a year by 2018.

We are also acting to ensure that the Higher Education Loan Program remains sustainable and is fairer. Among other measures, the government is implementing a HECS indexation pause for parents or caregivers who earn less than $50,000 and are the primary carer of a child under the age of five. Another 80,000 students who are studying in vocational education and training will benefit through the abolition of the 20 per cent loan fee for VET FEE-HELP. Another 50,000 students will benefit from the abolition of the 25 per cent loan fee for FEE-HELP. The Quality Indicators for Learning and Teaching will provide students with better information than ever before on which to base their course decisions.

The new Commonwealth Scholarships will create an unprecedented level of support for disadvantaged students to go to university. Under the new higher education system we will require that universities and other higher education providers provide $1 of every $5 of additional revenue raised on scholarships for disadvantaged students. Under the Commonwealth Scholarships scheme universities and higher education institutions will provide tailored, individualised support to students who have a low socioeconomic status. This might include needs based scholarships to help meet costs of living as well as to cover fee exemptions, tutorial support and assistance at other critical points in their study journey. We have been listening to students in regional Australia, and what they have been saying about the up-front costs of accessing higher education study. These Commonwealth scholarships will be of enormous benefit to students from regional Australia and other students. In addition, a new scholarship fund is being created in the Higher Education Participation Program, which will support disadvantaged students around Australia, including from regional Australia.

We are delivering more competition, which will deliver more choices for students. For the first time in Australia, the government is expanding the current system and providing support to students completing diplomas, advanced diplomas and associate degrees. The government is investing $371.5 million to deliver this initiative. Universities will receive government support to offer more courses to more students. These qualifications will provide career opportunities and pathways to further education.

Diploma courses provide important pathways into higher education for less prepared students, giving them the opportunity to develop the skills needed to undertake higher
education study. Expanding Commonwealth subsidies for these courses will ensure our students have the best chance of success. This is especially important in regional and low-socioeconomic areas, where students are less likely to enter into higher education than students living in metropolitan areas. I think that in the trade these are referred to as 'foundation studies'. I can certainly say about the example in Mount Gambier, where the University of South Australia has taken an aggressive position in the market, that those foundational studies, if it were not for a cross-subsidy from the university, would need to be met by up-front fees. We would have a failing because these up-front fees would not be paid and therefore the foundation studies not undertaken and therefore the tertiary opportunity offered to the regional student missed.

We are also extending Commonwealth support to students undertaking higher education with private universities and non-university higher education institutions. This will enable those institutions to compete with higher education institutions, which will deliver more choice. The government is investing $448.9 million to deliver that initiative. More than 80,000 students will benefit from the increased opportunities by 2018, as I mentioned earlier. This includes an estimated 48,000 students in diploma and associate diploma courses as well as 35,000 additional students undertaking bachelor courses. At the same time, universities will be empowered to set their own fees for their courses, which will generate more competition for students between a greater number of providers. This will see many students paying less than they do now for their education as government supports more higher education options. Many TAFEs and private colleges already work in partnership with universities. Those universities have been seeking funding for pathways and other diploma courses that help less prepared students succeed at university.

The government will now fund those pathways and other diploma courses through universities and colleges, which will enable many more people in Australia to get qualifications that can be used outright or towards a university degree. The government will maintain the HELP loan scheme so that no student need pay a cent up front for their higher education till they have graduated and are earning a decent income over $50,000 a year as a result of their education.

Australian university graduates on average earn up to 75 per cent more than those who do not go on to higher education after secondary school. Over their lifetime graduates may earn around $1 million more than if they had not gone to university. It is only fair that, given this, students contribute fairly to the cost of their own education. All the higher education peak bodies around the nation support these reforms. Universities Australia, the Regional Universities Network, the Australian Technology Network, the Innovative Research Universities, the Group of Eight, TAFE Directors Australia, the Australian Council for Private Education and Teaching and the Council of Private Higher Education all support these higher education reforms. The need for reform has also been recognised by the employers of our graduates through such bodies as the Business Council of Australia and the Australian Chamber of Commerce and Industry. Distinguished commentators such as David Gonski, Gareth Evans, John Dawkins and Maxine McKew have urged Labor to engage positively on this topic of higher education reform.

**Dr Chalmers:** She works for the University of Melbourne.
Mr PASIN: Oh, we wouldn’t want to listen to the universities about higher education reform; that’d be a very dumb thing to do! University leaders have shown in words and deeds that they repudiate the alarmist scare campaigns being run by those opposite. If there were a gold medal in running scare campaigns, those opposite would be atop the dais.

They also show that higher education will be accessible and affordable and that no student need pay a cent up front. I repeat that: no student needs to pay a cent up front, and no-one needs to repay anything until they are earning over $50,000 a year.

There has been much said about regional students, and their communities are, in my view, among the big winners in this reform package. Regional education providers will have the opportunity to offer more courses and compete to attract more students. By expanding government support to diplomas, advanced diplomas and associate degrees, regional education providers will be able to offer more courses.

One such beneficiary of this new system will be the new collaboration between the University of South Australia and the world renowned Australian jazz musician James Morrison. Those two entities have come together to create the James Morrison Academy of Music. When it begins next week, it will provide sub-bachelor degrees to 70 students in Mount Gambier. These are diplomas and associate diplomas. As an aside, James Morrison was busking out the front of my office yesterday. He is only human, given that it is my office! Returning to the more serious; these tertiary opportunities would not be funded under those opposite. These 70 students from across Australia—budding jazz musicians—in the initial stage would have to find these fees and would need to pay them up front.

If our reforms are successful, these same students will get the benefit of the Higher Education Loan Program. To repeat it for those opposite in case they might be a bit slow on the uptake: as a result of our reforms, these same students will not have to pay up-front fees. So, to those students who have come to Mount Gambier to engage with this exciting collaboration between the University of South Australia and James Morrison as the first participants in the James Morrison Academy of Music I say this: the Labor Party would have you pay your fees up front and in full before you even play a single note toward your sub-bachelor degree. Those on this side of the House, including your now local member—because you have all obviously become residents of the great city of Mount Gambier—would happily have you undertake that degree, attain your qualifications and enter the workforce, and only at the point at which you are earning $50,000 a year would you be asked to repay anything, and even then at a very slow rate.

In my view, this highlights the problem. We can come into this place and wax lyrical about theories. We can be ideologues. We can talk about the problems that besiege the tertiary education sector. But the reality is this: those of us on this side of the House want to deliver practical outcomes for students in the tertiary education space. Those on the other side of the House see a political opportunity. They are the alarmists, if you like. Instead of showing the kind of foresight that we did in opposition during the Hawke-Keating era, when we saw nation-changing reform and we backed it in, those opposite see it, they know it, they know it is in the best interests of this country, but what is more important to them is the political opportunity that presents itself every day. They cannot rise above it. It is the reason that, when the people of Australia turn to decide whether we should be entitled to continue to govern this country, they will say, ‘Well, what is their plan?’ To those that are in the chamber on the other
side, I say: you had better get working on your plan, because you do not have one, and the people of Australia know it.

Mr ZAPPIA (Makin) (12:31): It is very, very clear from the Higher Education and Research Reform Bill 2014 and from speeches of members opposite—and we have just heard a typical example of that from the member for Barker—that the Abbott government is arrogant, out of touch and totally disconnected from the Australian people. That could not have been more clear, having listened to the member for Barker. This is a government that treats the Australian people with contempt, a government in complete denial about the harm of its ill-conceived policies, and a government that has lost the confidence and the trust of the Australian people.

This legislation typifies why this government is so unpopular and why the Prime Minister is fighting for his political life. Australian people understand exactly what this legislation does, and they will not be fooled by government spin or by expensive advertising campaigns. This legislation makes university education more expensive. It is as simple as that, and no amount of denial or weasel words will change that. The legislation effectively transfers a greater portion of university costs from the government to students and their families. It is blatant cost shifting and perhaps could even be described as backdoor taxation, because it forces universities to increase their fees rather than have the government either raise taxes or cut costs.

As the Mid-year Economic and Fiscal Outlook shows—and this is the government's own statement—the HELP debt is expected to rise from $25 billion in 2014 to $52 billion in 2016-17. That is more than doubled. In other words, that is debt that is being transferred onto families and students. That is because, contrary to the denials of government members opposite, university fees, once deregulated, will rise. Once the universities are deregulated, fees of $100,000 or more for different courses are realistic, and it is no exaggeration to say that university costs will in some cases double and even more. Of course, the higher the debt, the greater will be the effects of compounding interest on that debt once the university student completes his or her course.

It is also wrong and naive to believe that the costs of a degree are simply limited to the university fees alone. In addition to the university fees, there are, of course, living costs, travel costs and so on. But there is also, very significantly, the loss of income for four, five or six years from not going to work full time and instead going to university. Those are real costs that have to be factored in, and they are costs that already weigh heavily on young people and their families when making a career choice. So, for families already struggling financially, increasing university fees will simply shut them out. Make no mistake about that: there will be families that, as a result of these changes, will make a choice, out of necessity, that they cannot support their children going to university. Members opposite should get their heads out of the sand and stop trying to pretend that these changes will open the door to more university students. It simply will not happen, and I have no doubt that, if these changes get through this parliament, time will prove this side of parliament, the opposition, right in making that point.

When speaking about closing the gap for Indigenous Australians, the Prime Minister said that closing the gap starts by getting kids to school. It is a rightful acknowledgement of the importance of education to a young person's future. It is a statement I agree with. Getting kids to school, however, is only the start. Completing the process with a career qualification is just
as important. Furthermore, the gap that the Prime Minister refers to is not confined solely to Indigenous Australians; it also exists amongst many non-Indigenous communities throughout the country. For them, a university education also closes the gap, and it enables them to fulfil their potential and pursue their own goals.

We have in Australia a growing inequality between the rich and the poor of this country. According to a St Vincent de Paul Society report, between 1995 and 2011 the high-income group proportion of total income increased from 37.8 per cent of the total income to 39.5 per cent, whilst the low- and middle-income groups' proportion fell by 0.4 per cent, to 10.4 per cent and 17.3 per cent respectively. Those figures show a trend, a very clear trend, that wealth is moving from one part of the society to another and that the inequality gap is in fact widening rather than closing.

If this bill is passed, it will close the uni door to many Australians from low-socioeconomic backgrounds and further widen the gap between the rich and poor of this country. It is a matter that deeply concerns me because the region from which I come, the northern and north-eastern suburbs of Adelaide, contains some of the lower income families in the Adelaide region. Indeed, when you look at university entrance rates for the northern region of Adelaide, they currently sit at around 10 per cent. For the rest of the state, they sit at almost 25 per cent, and for the eastern suburbs they sit at 25 per cent, more than double where they sit in the northern suburbs.

If we are to close the gap and give opportunity to those people from those lower socioeconomic backgrounds to get into university, this is the last thing we should be doing. We should not be making university more expensive. I commend the University of SA and the high schools in the northern region, which have embarked upon their own programs to try and bridge that gap. But here we are with a government that is now trying to make it even more difficult by deregulating universities and in turn making university costs much higher for people who already cannot afford them.

In making that point, I am also conscious that people from those same families and the students of the schools in the northern suburbs of Adelaide have the capability and the potential to go on to university and come out with a degree. They are bright students. The barrier for them is not their academic ability but rather their financial ability. Anyone who claims that increasing university fees, deregulating university fees and the like will open the door to more students or lower fees is disingenuous or delusional. It did not happen in the UK. It did not happen in Australia when Brendan Nelson partially deregulated fees a decade ago. And it has not happened anywhere else in the world.

Higher fees will weigh heavily on families that are already struggling to fund university costs, and it does not stop there. Having completed a university degree does not guarantee a job, let alone a high-paying job. In recent months, several young people or their families have come to my office seeking assistance with trying to get themselves or their son or daughter into paid employment after they have completed their university degree. It seems to me that either we have a mismatch with the courses that are being offered in the universities and the graduates coming out of them or there is a shortage of Australian jobs in Australia, perhaps in some cases because they are being taken by 457 visa entrants and the like. But there is a real problem out there, because, from my observations, there are far too many university students who, having completed their course and achieved their qualification, cannot get a job in the
profession for which they have been trained. And, regrettably, I hear too many stories of them having to move either interstate or, in some cases, overseas.

There is one young person who I am familiar with who came out of his university degree in medical science with flying colours. He cannot get a job here in Australia. He has been offered a job in the US and will take it, but he cannot get a job in Australia. He was possibly one of the brightest kids to come out of university the year he finished, which is, I believe, about 12 months ago. I think it is a shame that that is happening right before our very eyes.

Cutting education funding at any level is a retrograde step for any nation. It is a short-term money saver for governments. Conversely, investing in national education provides a national return many times over. That is why smart countries around the world are investing more in education, not less. Just as it is a wise choice for an individual to invest in an education, so too is it a wise choice for a nation to invest in education, as the benefits of a better educated society flow through to every sector of society.

We live today in a competitive global economy. We cannot dumb down the nation and expect to prosper, nor can Australia continue to rely on mineral exports to prop up our economy. Even our primary industries must continue to innovate if they are to survive. More than ever before, Australia should be doing all it can to encourage more young Australians into a profession, because Australia's future will be reliant on innovation. That is a message that has been given to us time and time again, and I hear it from members opposite as well: if Australia is to have a future, if we are to remain competitive with the rest of the world, we need to be a smart nation, a nation that invests in education, a nation that invests in innovation, a nation that invests in the education of future generations.

And yet, whilst on one hand we hear those sentiments from members on all sides of parliament, the Abbott government right now is doing everything that would suggest we are going in the opposite direction. We have seen the Abbott government cut some $878 million from our science and research agencies across Australia. We have now seen cuts made to research and development tax concessions in this country, cuts that were criticised widely by industry sectors and cuts that will have a devastating effect on the amount of research and development that is carried out in this country. We saw a major loss of research and development when the Abbott government turned its back on the automotive industry, one of the highest investors in research and development in this country for years and years, and we are about to lose most of that with the winding down of the car industry.

And now we see the Abbott government wanting to put university education out of reach of more Australians. None of these measures—cutting science and research funding, cutting research and development tax concessions, cutting university funding—will lead to a smarter nation, so perhaps members opposite need to think about matching their rhetoric with real action when it comes to the policies they bring to this parliament. Government members opposite should stop swallowing their ministers' lines. They seem oblivious to the collective damage that their short-sighted policies appear to be doing. This legislation will particularly hit hard people from low socioeconomic communities and from regional and country areas.

Mr Ewen Jones interjecting—

Mr Williams interjecting—
Mr ZAPPIA: I hear the interjections from the two members opposite. I have listened to the speeches of most government members in respect of this legislation. They are clearly all singing from the same hymn sheet when they come in here. They have no thought processes of their own; there is no individual logic applied to any of the statements that they make. They simply come in here with their spin lines and repeat the same facts over and over.

Talking about facts, can I finish on this line, because this is one of the facts they keep bringing into this chamber: the claim that Labor was about to cut education funding before the last election by $6.6 billion. I hear members come in and repeat that lie time and time again. Can I suggest to them that they could just look up ABC Fact Check, which totally denies and disputes that line and gives the truth to the matter, which is that under Labor higher education funding in this country continued to rise each year. It was under Labor that higher education funding was lifted and the system was given a boost.

So, if members opposite want to support their policies, they should do so through their own thought processes; they should not just come in here and repeat the lines that are given to them by their minister, who is clearly struggling to get this policy sold. He is clearly struggling to get support from across the nation. That is why this legislation has been dragged out for days and days and days, to enable the minister to try and get whatever kind of support he can in order to get it through. This side of the House knows this legislation is bad for the country and we will oppose it.

Mr EWEN JONES (Herbert) (12:46): This is the second time this bill has been before the House. The coalition has made it abundantly clear that we believe the higher education sector requires major reforms to keep it vibrant and competitive. Education funding is increasing by nine per cent, nine per cent, nine per cent and six per cent, over the four years of the estimates.

To secure that reform, we have consulted further with senators to provide a new bill. This bill keeps the intent of the first bill but with some changes negotiated with the senators. We have worked with Senator Day to keep the indexation rate for student debt at the CPI as opposed to the previously suggested 10-year bond rate. Senator Madigan wanted a pause on HECS indexation for new parents with children under five years of age. We will introduce a structural adjustment fund to assist our universities, particularly those in regional areas, such as my University, Townsville's James Cook University, to assist with the transition to a more competitive market.

But—and this is a big 'but'—the sector needs reform if it is to be a player in the future of education in this country and around the world. The university sector gets that. The VET sector gets that. They understand it and they want the reform. It would seem to me that the only ones not interested in this debate are Labor and the Greens. For instance, the Vice-Chancellor of La Trobe University said, when this reform was first put to the House and the university sector: 'It is no small achievement when an often divided and fractious sector unites around a major change'. So it is with this bill. The university sector, with the exception of the University of Canberra, recognises the need to reform and the value of these reforms to their sector.

Labor keep trotting out their tired, hackneyed talking points, saying this is a budget bill and not an education bill. My answer to that assertion is that every bill in this place is a budget bill. Nothing is for free. We must pay for it all. That is the difference between the two sides.
We understand that something has to be paid for. When the Hawke and Keating governments introduced HECS—which seems to have been glossed over by those opposite—it was also a budget bill. Paul Keating understood that things had to be paid for out of the budget.

Liberal Senator Bill Teague led our response to the package of bills, which included HECS, in a major change to higher education, which, incidentally, in 1989 was not taken to an election. This is what then Senator Teague said:

We in the Opposition are opposed to the graduate tax, but we will be supporting the higher education contribution scheme in this legislation, for several reasons. First, it is a Budget Bill and we respect the ability of an elected government in the House of Representatives to determine a Budget and its financial provision for higher education.

That is what a responsible opposition does. It respects the government's right to set a budget. We would not be having this argument today if it was not for the complete and utter negativity of those opposite and in the Senate.

Most of Labor's speeches throughout this debate seem to hark back to the days of Whitlam and free education. We have just heard the member for Makin say that it is unfair that people should have to pay for their education. Where they should be focused, though, is on the Hawke and Keating governments who brought HECS into being in 1989—again, without taking it to an election. The coalition did not make it easy for them to pass the legislation in this chamber. But Labor had the numbers on this floor and it was their budget, so it passed through the Senate.

Today, we see the obstructionist approach of the arch populist Labor Party—who would rather spin than govern, who would rather obfuscate than participate, who would rather sit on the sidelines and carp than get into the game and have a go. What have they become? They are a vacuum of policy and a repository of negativity never before seen in this place. Their sanctimony knows no bounds. We hear every member opposite praise their performance in government. They keep trotting out lines about universities under Labor and increasing funds to the sector. What their talking points do not roll out is what they took from higher education.

Just let me run through a couple here: the 2013-14 budget had an efficiency dividend of two per cent in 2014 and 1.25 per cent in 2015 applying to most grants to universities—a $902 million cut; removal of the 10 per cent HECS-HELP discount and the five per cent HELP payments bonus from 1 January 2014—a $276.7 million cut; and conversion from the Student Start-up Scholarships to student loans—$1,182.5 billion cut from higher education; a cap on tax deductibility for self-education expenses which did not proceed because we stopped it—they cut $514.3 million. It is all the way through here: in 2012-2013 MYEFO—and the bloke sitting at the dispatch box knows all about those things—the general interest charge to student loan debt was $7.5 million; there were changes to the rate of funding to the Sustainable Research Excellence program—$563.7 million was cut from the sector; concessional facilitation funding—conditional funding to encourage universities to agree to the inclusion of performance targets in their mission based compacts—$384.6 million was cut; in the 2011-2012 MYEFO they reinstated band 2 student contributions for mathematics, statistics and science units for new students—$1,030.9 million was cut from higher education; and a reduction of the HECS-HELP discount and voluntary payment bonus in 2011-2012 was $607.7 million cut from higher education.
This means a total of $6.6552 billion cut from higher education. None of these were ever taken to an election—not one! So all this furphy about things having to be taken to an election! Governments are elected to govern; was the response to the GFC taken to an election? No, it was not. They needed to act because the circumstances changed, and so they got in and they acted. We respect that. When we came into government and the budget came in, the circumstances had changed and so we acted. None of these things were taken to the election and none of these cuts to higher education were education bills. They were all budget bills. Yet, Labor sees our attempt at genuine reform in this vital sector as an opportunity for populist nirvana to hark back to the Whitlam era of free education. Their comments seem to miss completely the fact that they introduced HECS without taking it to an election.

None of their speeches list the changes they made to the higher education sector, but that seems to be okay. It is the beauty of opposition that none of the people opposite say what they would do if we get these reforms through. What they want to say is, 'If they get these reforms through, we will reverse them if we come back to government.' We said that with the carbon tax; we also followed through and we did it. Not one person over there has said that if we get these things through that they will reverse them, and I call on them to do so.

So, why reform? I was lucky enough to be in the chamber when the member for Pearce, now Parliamentary Secretary to the Prime Minister, Christian Porter, spoke on this matter. In that very fine address he added this line from the Vice-Chancellor of La Trobe University, where he said in relation to the importance of these reforms:

At stake is whether a viable higher education system can endure.

At this stage I would like to continue to quote from the member for Pearce's speech from 28 October last year, where he said that what the Whitlam government did was a valid social experiment:

… could Australia increase the percentage of low-income students in tertiary education by making tertiary degrees free for all tertiary students? That was the social policy argument that dominated this space for decades. But the argument was also conducted for decades in an environment where the Australian tertiary sector existed in a global market that was relatively stable—comparatively, amazingly stable.

Today's global market for higher education is not stable. It is changing very quickly and very aggressively.

He went on to suggest that when HECS was introduced in 1989, and further, when those HECS fees were increased by almost 800 per cent by the Keating and Howard governments, that participation in higher education continued to grow.

Again, as the member for Pearce opined:

Does introducing deferred fees for students decrease the percentage of low-income students? No, it does not. Once introduced, does expanding the share of their fees that students are required to fund decrease the percentage of low-income students? No, it does not. Are fees the primary, or even a substantial, determinat of the percentage of low-income students? No, they are not.

But, do not take Christian Porter's word for it. Universities Australia came out last year and called for the parliament to support the deregulation of Australian universities. They still support this. They are the peak body in this sector and their opinion should have some form of effect on the ALP. They said at the time:
The introduction into Parliament of the Federal Government's higher education legislation is a chance for all parliamentarians to seize the opportunity for making real, lasting changes that are needed in positioning our universities for the challenges of the future.

There is still no movement from those opposite.

Professor Ian Young, said last year that higher education in this country is at a crossroads:

It is time for us to make choices about what we want for our country and what we want for future generations. Time to make choices about the future of our universities.

In Minister Pyne's second reading speech from last year, he said:

Currently our universities are at risk of being left behind and overtaken by the growing university systems in our region and across the globe as these systems increase their capacity and new forms of online and blended delivery take hold.

We must aspire to not only keep up with our competitors, but keep ahead of them.

I have two daughters who attend university. When we brought these reforms in at the last budget I did two things. Firstly, I asked my daughters if the cost of their course would affect their decision to continue higher education. Neither said it would. Both said the cost of the course was unknown to them because they wanted the job at the end of it. The cost of the course did not matter to them at all; HECS was just a way to get the degree and a better job—the job they wanted. Both have since changed courses, by the way.

As I said in my speech of 2 September last year, the day after the budget was handed down and this policy announced, members of my staff went to James Cook University, where we surveyed 140 people—students. I acknowledge that this was not a scientific survey and that I am not a market researcher, but the results were pretty telling. Seventy per cent of the people asked had no idea how much their chosen course would cost them in HECS, 20 per cent had some idea and 10 per cent knew exactly. So, on this side of the chamber, we are talking about the future of the higher education sector. On that side of the chamber, they are talking about Gough Whitlam. Yeah, those guys are ready to govern!

Additionally, this bill will provide access to HECS-style assistance for vocational education training students. It removes the punitive loan fee of 20 per cent for VET FEE-HELP. This will assist tens of thousands of Australian students undertaking VET courses, and it gets rid of the 25 per cent loan fee for FEE-HELP for those who study with private institutions. It also removes the lifetime limits on all Higher Education Loan Programme (HELP) schemes and discontinues the ineffective HECS-HELP benefit.

So we are offering a system which will see our tertiary education sector remain at the forefront of international higher education into the future. We are offering a system where not one student will have to borrow a single cent up front. We are offering a system where not one cent will have to be repaid until they earn $53,000.00 per annum. We are offering a better than world class opportunity to every student in the country.

What are the people across the chamber offering? Nothing. They are stuck with their Greens mates either actively knocking things down and destroying jobs or just saying 'no' because they have fallen victim to partisan populist politics. They are devoid of all ideas. They are nowhere.

This bill will strengthen the university sector to weather a storm coming from aggressive and ultra-competitive overseas universities. We must address these issues and we must act
now. I am proud to be part of a government which wants to do more than just throw money out the window as we drive along the road, hoping that some will be spent wisely.

Labor's assertion that this is a budget bill and not an education bill tells me all I need to know about the opposition and why they are unfit to govern. They honestly think that things can be for free, that things do not cost. I have news for them. Nothing is free. It all costs. And the bills for our expenditure must be paid.

I stand shoulder to shoulder with my minister, Christopher Pyne, in his quest to see our country prepare for a glorious future and not live on a distant past. I thank the House.

Mr HAYES (Fowler—Chief Opposition Whip) (13:01): I rise to speak on the Higher Education and Research Reform Bill 2014. I condemn the government's efforts to destroy this country's highly acclaimed tertiary education system and, quite frankly, cause great harm to the long-term economic and social development of this country. Another member, the member for Herbert, who spoke before me, thought that we on this side would raise Gough Whitlam. I think most members and the member for Herbert should recognise that if it were not for the then member for Werriwa, those sitting on his front bench over there would not have had the opportunity to go to university in the first place. I would not take kindly to the rubbish ing of the contributions of the former member for Werriwa, who only recently was given great accolades in this place for the contributions he made in social development and particularly for what he did in furthering the educational attainments of many people in this country including myself. Had it not been for the Whitlam government, I would not have been able to gain a university education either.

The bill before us strips $3.9 billion worth of cuts out of the government's $5.8 billion cuts to education. This is stripping money out of our education system. Our education system is one that has been based on fairness and opportunity for all—very much a concept from the Whitlam period. It is a great source of pride, and always has been, on the international stage. It is an acclaimed system but it is now clearly under threat. This government, despite repeated promises before the election that 'there will be no cuts to education', has come up with a range of measures that will make it even more difficult for young people, particularly for those in electorates like mine where young people come from struggling families, to reach their full potential. Deregulation will allow universities a free hand when it comes to setting student fees, and poses the very real prospect of $100,000 degrees.

In addition, the bill poses the threat of slashing Commonwealth supported places in undergraduate degrees by 20 per cent, changing the HECS payment threshold as well as changing the indexation of university funding. This is going to result in less money being invested in our tertiary education sector. It is hardly the hallmark of a smart nation to slash education and then pretend to believe in a future.

In addition, the bill proposes expanding the subsidies for non-university higher education providers and those providing sub-degree programs. This in itself will threaten the quality and the reputation of our existing world class tertiary education system. If there is nothing stopping our universities from taking full advantage of deregulation and making up any shortfall in Commonwealth funding, which is already proposed, by shifting costs onto students then it will come as no surprise that it has been predicted that fees will rise by 30 per cent for most university students but for various courses they could rise by as much as 60 per cent. For instance, a law degree currently at Bond University, which is a private institution,
already costs $120,000 whereas the same degree in a public institution costs around about $30,000.

The Howard government—bless its cotton socks—made a huge inroad into education. It made efforts to increase private involvement in the university sector thereby causing significant damage to Australia's reputation as a provider of quality university education. It certainly allowed international students to come to this country and buy university places, which is what we saw occur as a consequence of those policies.

It is clear that this government is set to continue the trend of privatising tertiary education, even including our VET sector. Private education facilities are keen to get involved and cherry-pick the most popular and profitable courses causing the closure of TAFE campuses and courses, thousands of teachers and administrators being thrown on the scrap heap as well as an increase in student fees. In New South Wales alone, we are seeing this played out right now. TAFE fees in New South Wales have already risen by an average of 9.5 per cent and 1200 teaching jobs have been slashed. I think everyone in this House knows that TAFE is universally recognised and respected; TAFE has been at the frontline in responding to industry needs and providing employees with the skills needed by industry to remain competitive into the future.

As a result of decisions by state and federal Liberal governments, it is becoming more and more difficult for young people in this country to gain the skills and knowledge they need to compete in an ever competitive world. University education and VET education will soon be out of reach for many. Fee deregulation and cuts to funding will also make it far more difficult for people returning to study—particularly mature age students—to upskill. They are coming into a system that is loaded with costs—bear in mind that many mature age students also maintain a house, a family and a household. They also face the challenge of paying off their first degrees, which will now have a real interest rate of six per cent for all HECS and HELP debt. It will raise the total cost of their education but also extend the period of their repayments. How can that come from a government that believes in a smart country—a government that should believe in a future for Australia?

When it comes to uncapping university fees and the increased privatisation of tertiary education, domestic and international experience confirms our worst fears. Student fees have risen sharply across the world. I am not aware of any country which has deregulated university fees having lower student fees. I was reading recently about the UK experience. Deregulation was introduced there in 2012 and fees were capped at £9000, but out of 123 universities there are only two this year that are not charging the highest allowable fee. If it is capped at £9000, every institution bar two is charging up to the maximum possible. That shows up the idea of opening the market to competitive forces to drive fees down as the furphy it is; and those opposite know it.

The US has seen a rapid expansion of for-profit colleges; 75 per cent of all enrolments are now to private institutions. These colleges are owned by corporations or equity firms—companies that can be bought and sold on the stock exchange or as part of equity developments. These colleges charge significantly higher than average tuition fees, but, interestingly, they actually target students from lower socioeconomic backgrounds. They take advantage of the assistance packages offered by government. While these colleges spend a lot of time in marketing and recruiting, I doubt that they are out there giving away iPad, as
happens in this country. Over half the students do not graduate, but they leave with astronomical debts. It is clear that the main goal of these profit-driven organisations is just that—making a profit. It is not about the support and welfare of students. We need to ask ourselves: do we really want to copy a system that places tertiary education out of the reach of many? Why go down the path of attempting to Americanise our tertiary education system?

As I have said many times in this place, I represent the most multicultural electorate in the whole of the country. That is a source of great pride, but the area I represent has significant pockets of disadvantage. Parents in my electorate work pretty hard to provide for their families and to give their kids opportunities—opportunities in many cases that they themselves did not have. They encourage their kids to study, often spending long hours in after-hours tuition, and they aspire to have their kids succeed—to obtain a tertiary qualification and to make the most of themselves. I think it is a natural inclination for any parent to want their children to do better than they did; and these people work very hard to do that. It would be very disheartening to see hard-working, academically gifted students miss out on university places because of this government’s inconsiderate decisions in cutting the amount of money allocated to tertiary education and in shifting the cost onto students.

In my electorate 6.7 per cent of the population is on the way to completing a degree. That is close to 10,000 people, but the truth is that many of these people would not be able to handle the huge financial pressures that they are set to face with the changes proposed by this bill. Many of them attend the University of Western Sydney—a great institution—which is now set to receive $64 million less in income from this government in the transition period, 2015-2020.

We are clearly moving in a direction where fairness and equality of opportunity are second to the financial circumstances of parents. If parents can pay they will certainly be accommodated in a full-fee paying deregulated system. Those opposite are set to destroy the Whitlam legacy of equal opportunity for all. The member for Herbert wanted to ridicule those on this side of the House for supporting Gough Whitlam and what he sought to do in education in this country. If anything, Gough Whitlam will go down as a visionary, because one thing he very much believed in was that education was the future of this country and he invested heavily in it.

Higher education is a key factor in the economic, cultural and social development of our nation. It plays a vital role in our international competitiveness and the future prosperity of Australia. If Australia is to compete for the jobs of the future, students need to have access to high-quality, well-funded education, regardless of their postcode or background. That is why we on this side of the House will be opposing this bill. It is nothing but a retrograde step and a failure to invest in the future of this country.

Mrs WICKS (Robertson) (13:16): I am pleased to rise to speak to the amendments outlined in the Higher Education and Research Reform Bill 2014, because I strongly believe that education provides a great foundation for people to gain the necessary knowledge, skills and qualifications they need to pursue the best possible employment opportunities, which, in turn, will help create a better future for themselves and their families. This is a belief quite close to my heart, as a university graduate, a former teacher, a mentor to a number of young people in my electorate and as a mother of two young children who I want to have access to the best possible opportunities to set them up for the best possible future for their lives.
That is why I so strongly support these reforms and why I urge members opposite, who would seek to create fear and uncertainty about the impact of these reforms, to look beyond the smokescreen of their own ideology and see what we are actually building, not what they claim we are trying to destroy. If they stopped for a moment to breathe and to fan away the smoke created by the fires they are attempting to light, members opposite might glimpse—even for a moment—an outline of what we are actually seeking to build: a solid framework for a once-in-a-generation opportunity for significant reform and, if members opposite could see the framework, perhaps they would be able to make out the foundations. Then, if they can make out the foundations and the framework, maybe members opposite would then also perceive the quality of the bricks and mortar and tiles that are being laid by these reforms. If so, perhaps then they would also see that the architecture that is outlined in this legislation is actually about providing the best possible educational opportunities for all Australians, not just some.

In saying this, I speak as someone who grew up in a largely single income family, the eldest of five children, in a home where I was lucky enough to have parents who also knew the importance of education. My father was a high school teacher. I remember growing up back in the 1980s, during the times of the high interest rates we experienced under a former Labor government, delivering pamphlets and doing a paper run with my dad and my younger siblings which helped to pay for our school fees and our school uniforms and helped to pay the mortgage.

I also remember being a student at university in the early 1990s, working through the week during semester in casual employment, then working full time during my university holidays at a factory in West Gosford. I worked full time during my holidays in order to save up enough money by the beginning of each year to pay not only for my university texts but also for the compulsory student union fees that were imposed—quite high fees, if I recall correctly—but I never heard members from the other side of the chamber argue against their imposition. As I said in an earlier contribution to this debate, I also remember that while my HSC result enabled me to apply to any university in Australia for the humanities degree I wanted to study—no HSC result could have enabled me to make the one choice I would have perhaps liked to make—the choice to study locally.

So in making my contribution to this debate today, I speak as one acutely conscious of the impact of our reforms on those with less privileged backgrounds; those from regional areas—and I count my electorate of Robertson on the New South Wales Central Coast as a regional area—and those for whom access to choice of university is an important consideration.

I am advised that more than 4,600 students leave the Central Coast daily to Sydney to commute to their chosen metropolitan university. They do so because, at present, many do not have the choice to study in our region. Around 4,500 do have that choice—and I am enormously proud of the considerable investment made by the University of Newcastle into its Central Coast Campus at Ourimbah. There are another 4,500 at the TAFE campus there. The Ourimbah campus of Newcastle University offers 19 complete degrees plus online and split-site learning options, and its reputation in our region is of the highest order. But, after 25 years and consistently high rankings when it comes to student achievement and research, there are still only 4,500 university students at the Ourimbah campus. Why is that? Is it because of its location, a picturesque campus in the most beautiful region of the most
beautiful country in the world? Is it because the mere fact that it is a smaller campus with less choice of courses means that many students from the Central Coast attend metropolitan based universities because the fees they pay for the privilege are the same regardless of which university they attend? Or is it because the current structure of the regulated system that our universities operate in do not allow them to think more innovatively, to explore more opportunity and to offer compelling and competitive courses that not only attract more students but importantly, outstanding staff as well?

So I ask those members opposite to imagine, just for a moment, what the future of a university campus on the Central Coast of New South Wales could be as a result of these incredibly important reforms. What additional faculties might it be possible to establish if a university like Newcastle, an outstanding university with an impressive pedigree despite its relative youth, was allowed to look for unique value propositions that would meet the needs of a growing region, attract students from around Australia and indeed the globe, and invest in the right courses that meet student demand and reflect their own expertise? What great future may lie ahead for a research intensive regional university like Newcastle, already in the world-class rankings, if it were let off the regulatory leash, so to speak, and allowed to create truly world-class educational and research opportunities to the benefit of current and future Australians wishing to pursue higher education?

Newcastle University has already identified the need to encourage more students from the Central Coast into university study through its pathways programs. More than 900 students were enrolled through the pathways program in 2013. As a snapshot into the diverse student mix on the Central Coast, more than 40 per cent of these students were from low socio-economic backgrounds and 55 per cent were mature-age students. So the opportunity for even more students on the Central Coast to benefit from the expansion of increased opportunities for diploma and sub-bachelor degrees is made possible by these reforms outlined in the bill.

In saying this, may I also commend Newcastle University for its pursuit of excellence in all fields, particularly in the areas of medicine and engineering. I thank vice-chancellor Professor Caroline McMillen for her outstanding leadership and stewardship of Newcastle University, and I acknowledge the significant and ongoing commitment that the university has made to providing excellence in educational opportunities on the Central Coast for more than two decades now.

If I sound passionate about these reforms, it is because I am. They make possible the world-class education that Australian students deserve and that our employees, entrepreneurs, businesses, schools, teaching hospitals need in order to build an even better tomorrow than what we enjoy today.

Despite what members opposite may say, the reforms outlined in this bill do not reduce opportunity for more students to access tertiary education—far from it. Competition enables choice and choice and quality of education ensure that more students, not fewer, will benefit from these reforms, and more students benefiting from choice and quality of education in turn of course, ultimately, benefits all of us as a nation.

We simply cannot allow a scare campaign by those members opposite to force a gradual decline into mediocrity in Australian higher education, nor should we allow members opposite to get away with their own dreadful record: the $6.6 billion that Labor ripped out of
higher education and research between 2011 and 2013 hangs as a millstone around their necks.

In contrast, by allowing universities to set their own tuition fees from 2016 and enabling universities to specialise or offer more courses, regional universities like Newcastle will benefit because they can compete more successfully to attract more students. Because of HECS, under these reforms no student will pay a cent up-front for their university fees and no student will need to repay a cent until they are earning over $50,000 per year. And because of the choice and flexibility that is encouraged by these reforms, and because of the competition for the student dollar that deregulation of fees will engender, no university is likely to hoick up their fees to the sorts of heights that we hear in the cacophony of hysteria created by members opposite, who are trying to stymie this legislation. What members opposite they fail to understand, quite sadly, in my view, is that all they are really doing is trying to stymie future opportunities for students on the Central Coast—for children who today are still in primary school or preschool, for my children, for our children and for our children's children.

International competition alone demands that we at least consider these reforms and the very real benefit they will bring to regions like my own right around Australia. In fact, the Regional Universities Network has been publicly calling for these reforms to be passed by the House. The Chair of the Regional Universities Network, Professor Peter Lee, has made it clear, as have so many other leaders in this sector from across Australia, that it is not in the interest of students or universities to continue to let this issue drag on. Simply, these reforms should be passed—and it is not just Professor Lee. Universities Australia, the Regional Universities Network, the Australian Technology Network, the Innovative Research Universities, the Group of Eight, TAFE Directors Australia, the Australian Council of Private Education and Teaching, and the Council of Private Higher Education are all supporting the higher education reforms with amendments.

The need for reform has also been recognised by the Business Council of Australia and the Australian Chamber of Commerce and Industry, the very organisations who represent many of the employees of future graduates. A major reason for this is the benefits to students from low-socioeconomic status backgrounds through our new Commonwealth Scholarships. This is the greatest scholarship scheme in Australia's history. It makes sense, because the brightest students from disadvantaged backgrounds should not have to miss out on forging pathways into education and employment.

Under these reforms, universities, along with other higher education providers, will play their part in this. Along with other higher education providers, they will spend $1 in every $5 of additional revenue raised into these scholarships for disadvantaged students. The institutions will also provide support to students from a low-socioeconomic background. This could assist students with the costs of living, as well as to cover fee exemptions, tutorial support or other assistance throughout their study.

The government are determined to widen opportunity and give everyone a chance at university. We know how important this is and we are working hard to ensure we get the reforms right. That is why we have proposed five key amendments in this bill, which builds on the strength of what was previously put to the House. The first is to retain CPI indexation for HECS debts, rather than moving to the 10-year bond rate—and I acknowledge Senator Day's contribution to this important amendment. The government have also accepted Senator
Madigan's amendment, introducing an interest rate pause on debts for primary carers of children aged less than five who are earning less than the minimum repayment threshold. This is a good thing for new parents and it makes HECS even stronger.

The third important amendment will establish a structural adjustment fund so that universities can transition to the new environment, especially benefiting regionally located universities. In addition, a dedicated scholarship fund for universities with high proportions of students from low-socioeconomic backgrounds will be funded directly by the Commonwealth. This will add to the already generous Commonwealth scholarship scheme, which means thousands of students from disadvantaged backgrounds and in rural and regional communities will have even more help to get to university. Finally, we will also amend legislative guidelines so domestic fees are lower than international fees.

These amendments all add to the heart of these reforms: to deliver a higher education package that is fair and balanced, that spreads opportunity for students and ensures Australia is not left behind in global competition. It is worth repeating: students will remain protected by HECS. No Australian student has to pay even a single cent up-front. And no-one needs to fork out a cent until they are earning over $50,000 a year.

These groundbreaking reforms, including these amendments, expand a demand-driven system. Over 80,000 students each year will be provided additional support by 2018 under the Commonwealth Grant Scheme. This includes an estimated 48,000 students in diploma, advanced diploma and associate degree courses, and 35,000 additional students undertaking bachelor courses. For current and future students, 50,000 students can look forward to benefitting from the abolition of the 25 per cent—(Time expired)

The DEPUTY SPEAKER: Order! The debate is interrupted in accordance with standing order 43. The debate may be resumed at a later hour. The honourable member will have leave to continue her remarks when the debate is continued.

STATEMENTS BY MEMBERS

Lindsay Electorate: Bushfires

Ms SCOTT (Lindsay) (13:30): It was a bit over 12 months ago when we saw a disastrous bushfire ravage the homes of the Blue Mountains. As my electorate of Lindsay sits in the foothills of this spectacular bushland, my community knows, oh so well, what devastation bushfires can cause.

Hence it was a huge honour to attend the opening on Sunday of the refurbished Londonderry Rural Fire Brigade station—not to mention the handover of five trucks to the local Cumberland zone, including Berkshire Park and Mulgoa. This is a clear example of the Baird government's commitment to the people of Western Sydney.

I would also like to congratulate my friend and colleague Stuart Ayres, the state member for Penrith, who is also the Minister for Police and Emergency Services, Rural Fire Service Deputy Commissioner, Rob Rogers, and Liberal candidate for Londonderry, Bernard Bratusa, as well as the entire team of the Cumberland rural fire service. The New South Wales Rural Fire Service is at the cutting edge of bush firefighting due to significant improvements in technology, training, equipment and communications. To quote the minister:

A new era has begun as the New South Wales government is committed to ensuring the safety of the Londonderry community by providing our firefighters with the best equipment and resources.
I would like to congratulate the Baird government for supporting our rural fire services. I would like to congratulate the minister and all of the wonderful volunteers that help this wonderful organisation.

**Workplace Relations**

Mr BRENDAN O'CONNOR (Gorton) (13:31): This morning in the papers it was reported that the Minister for Employment has given an undertaking not to touch the minimum wage in this country. Indeed, recently we have had the Prime Minister making comments about not touching the minimum wage in his response to a couple of questions asked of him at the Press Club. The fact is that you cannot trust this government when it comes to industrial relations; you can never trust this government when it comes to creating jobs and providing opportunities for workers.

They say, of course, that they will not abolish the minimum wage; they say they will not cut penalty rates. But let us have a look at what they have done since they were elected. Remember: it was this government and this Prime Minister who said there would be no cuts to health, no cuts to education, no cuts to the ABC and no cuts to SBS, and what have we seen since? We have seen a budget replete with lies—a litany of lies by this government and by the Prime Minister. If there is one area of public policy you could never trust a coalition government on, it is industrial relations. They have a disregard for Australian workers in this country.

We remember Work Choices, something that was never mentioned by the Prime Minister back then, prior to that election. We do not expect this Prime Minister—or this government, whoever leads them—to make an honest declaration of their plans after the next election. We know it is in their DNA. This government wants to rip away the safety net for workers in this country. It wants to undermine conditions of employment. It will attack every worker at every chance it gets. *(Time expired)*

**Bass Electorate: Symphony Under the Stars**

Mr NIKOLIC (Bass—Government Whip) (13:33): Just when you thought it was impossible to fit another event into northern Tasmania's summer schedule, along comes Symphony Under the Stars, which was held in Launceston last Saturday at the beautiful City Park. Council staff had the park looking sensational despite recent major events like Festivale, Tasmania's premier food and wine festival.

The Tasmanian Symphony Orchestra was established in 1948 and gives 60 concerts annually. This concert in Launceston was based on themes of romance and French composition. It included pieces written by French composers Gabrielle Faure and Charles Gounod, as well as Russian composer Tchaikovsky. Soprano Maya Boog dazzled with songs from Edith Piaf. The packed City Park venue enjoyed an evening of orchestral music from one of Australia's best orchestras.

Congratulations to all of the gifted TSO musicians, managing director Nicholas Heyward, chief conductor and artistic director Marko Letonja, the Launceston City Council and everyone else involved in this magnificent event. I acknowledge also my colleague the member for Lyons who so capably represented the Minister for Arts, Senator George Brandis, at this wonderful event. I encourage people to visit the Tasmanian Symphony Orchestra.
website at tso.com.au to check out forthcoming concerts. And, while you are in the best state in Australia, enjoy the very best music, food and wine on offer.

**Workplace Relations**

**Ms CLAYDON** (Newcastle) (13:35): In 2010 the Leader of the Opposition at the time, now Prime Minister, said about Work Choices, a policy his Liberal government introduced: 'It's dead, it's buried, it's cremated now and forever.' Well, after a few years in exile it appears as though we have a return from the dead.

Under this Abbott Liberal government Work Choices is making a comeback—step by step, agreement by agreement—as they chip away at penalty rates and the minimum wage, working their way through the IPA wish list. The government is out to attack workplace conditions and the rights and wages of workers.

In my electorate of Newcastle we saw it firsthand when the Abbott Liberal government cut the real wages of nearly 4,000 Defence service men and women by offering them a paltry, below-inflation pay-rate increase of just 1.5 per cent per year. The Prime Minister had to be dragged kicking and screaming to reverse his unfair decision to cut the Australian Defence Force's Christmas and recreation leave, among other entitlements.

The Prime Minister said before he was elected that he would not make any substantial changes to the workplace relations landscape. Yet, since elected, this government has introduced six pieces of antiworker legislation into parliament—all of which diminish workers' rights and employment conditions. The Prime Minister might claim he is not coming after Australians' wages and employment conditions, but his government's actions tell a very different story. It is true that the story of Work Choices is part of the Liberal Party's— *(Time expired)*

**Defence Procurement**

**Dr SOUTHCOTT** (Boothby) (13:36): Last week the Defence minister announced the acquisition strategy for the Future Submarine program, the largest Defence procurement in Australian history. For South Australians there are positive signs that we can build the next fleet in partnership with France, Germany or Japan, similarly to the way in which we built the Collins.

Defence has advised that, for Australian industry to have the best opportunity to maximise their involvement, it needs to work with an international partner. They will be holding industry briefings to inform Australian industry of the potential process and of how they can engage with potential international partners. The Australian government, over the lifetime of this project, will spend $50 billion on Defence procurement. By contrast, last weekend the South Australian Premier, Jay Weatherill, announced that he would be spending more South Australian taxpayers' money on a media campaign about subs—not on subs but on a media campaign about subs. If the Premier is serious about work for South Australia—

*Opposition members interjecting—*

**Dr SOUTHCOTT:** The member for Wakefield and the member for Adelaide have a lot to say, but in six years in government they never once commissioned a naval ship. They talk the talk but they never walk the walk.
The Premier should focus on how local companies can work with those partners to maximise local defence jobs. It would be nice if the state government did something constructive towards this goal instead of seeing this as an opportunity to score political points.

Mr Champion interjecting—

The DEPUTY SPEAKER: The member for Wakefield! Do you want to be here for question time?

Mr Champion: Yes.

The DEPUTY SPEAKER: Well, you will remain quiet.

Ovarian Cancer Awareness Month

Ms McGOWAN (Indi) (13:38): This month Indi is going teal for Ovarian Cancer Awareness Month and Teal Ribbon Day. Visitors to Wodonga are being greeted by clotheslines full of teal knickers flapping in the breeze. They are there to promote an initiative of the Border Ovarian Cancer Awareness Group and the Wodonga Chamber of Commerce, who are challenging locals to buy teal underpants and wear them on the outside for tomorrow's Teal Ribbon Day. Local identities including Wodonga Councillor Anna Speedie and Wodonga Chamber of Commerce's Bernie Squire will be showing their teal knickers off around Wodonga's CBD tomorrow, while nearly 100 businesses have signed up to sell teal ribbons during February.

Ovarian cancer kills over 800 Australian women annually and is known as the silent killer. With a five-year survival rate of just 43 per cent and over 1,400 Australian women diagnosed with the disease annually.

Also on Thursday, Goulburn Valley Health service staff in Shepparton will come together for their annual teal breakfast. Along with a delicious meal, participants will receive a ribbon and will listen to a guest speaker detail her personal journey with ovarian cancer. This will raise much needed funds. I give my warmest congratulations to event organisers Heather, Bernie and Carmel for raising the profile of ovarian cancer in Indi.

Trade: Middle East

Mr COLEMAN (Banks) (13:39): On 5 February I hosted an Australia-Middle East Trade Forum with the Minister for Trade. It was good to have the minister in Banks to discuss the government's plans to strengthen trade relations between Australia and the Middle East. The forum was held at Club Rivers in Riverwood and gave a group of local business leaders the opportunity to meet with the minister and discuss important issues surrounding trade.

Members of the Australian Arab Business Council attended and distributed a very useful summary on the relative sizes of Australia's trading relationships in the Middle East. Minister Robb discussed the opportunities to expand Australia's commercial relationships in the Middle East, particularly in the context of the current Joint Standing Committee on Foreign Affairs, Defence and Trade inquiry into this matter. The forum was very useful. I look forward to working with members of the local community to advance trade with the Middle East.

I would particularly like to thank: Hassan Moussa, President of the Australian Arab Business Council; the numerous other members of the council who attended the function; Michael Rizk, Head of Trade Relations, Australian Lebanese Chamber of Commerce; and
Adam Malouf from Austrak Capital, who presented an insightful analysis of Middle East trade opportunities at the forum. I would also like to thank the Consul General of Egypt, His Excellency Yussef Hassar, for attending this event and providing his perspective on the commercial relationship between our two nations.

**Workplace Relations**

**Ms BUTLER** (Griffith) (13:41): Right before Christmas the Abbott government snuck out its salvo in the war to bring back Work Choices—the Productivity Commission’s terms of reference for the workplace relations review. In January what did we see? The Productivity Commission brought out some documents that shed light on the agenda to get rid of penalty rates and to cut the minimum wage in this country. It is an absolute disgrace. We know that the mob opposite have been absolutely determined to bring back Work Choices for as long as they have been in power.

Despite the Prime Minister saying in 2010 when he was the opposition leader that Work Choices was dead, buried and cremated, everyone knows that the agenda of this government is to get rid of penalty rates and to attack the minimum wage. How do we know that? Today Fairfax reported that penalty rates are not under attack by the government according to the government. If there is a better guarantee that penalty rates actually are on the agenda for attack than them ruling it out, I do not know what that would be.

I remember last year when the Prime Minister and the foreign minister came to Griffith and said, 'There is not going to be a GP tax.' That was scaremongering on my part. That was scaremongering by the Labor Party. But what did we see? We saw a GP tax in the 2014 budget. The 2014 budget was the worst budget in the history of Federation, the budget that attacked the very fabric of Australian society, just like this attack on penalty rates and on the minimum wage at a time when wage growth is the slowest since the wage price index has been kept. It is an utter disgrace and the government ought to be ashamed.

**East West Link**

**Mr SUKKAR** (Deakin) (13:42): I rise today to again draw attention to the growing community anger in my electorate of Deakin at the way Labor have turned their back on Melbourne's east in their reckless attempt to destroy the East West Link. On Saturday morning members of our local community gathered in Ringwood to launch the Build the Link campaign—a campaign which will provide an opportunity for residents to tell Labor that we need the East West Link.

I was pleased to be joined by the members for Aston, La Trobe and Casey to reaffirm the federal coalition's $3 billion commitment to the project. As those gathered told me, we need the East West Link. No arguments, no evasion and no delays. Victorians know that the project is shovel ready, fully funded and ready to go now. All that is needed to get things under way is for Bill Shorten to pick up the phone to Dan Andrews and tell him what he knew back in 2008—that the East West Link is good for Victorian families, good for jobs and good for business.

We know that it will create 6,500 jobs and save commuters in the Deakin electorate up to three hours a week in travel time. But the state Labor Party with the support of Bill Shorten

---

**The DEPUTY SPEAKER:** The member for Wakefield! The ice is very thin.

**Mr SUKKAR:** I was pleased to be joined by the members for Aston, La Trobe and Casey to reaffirm the federal coalition's $3 billion commitment to the project. As those gathered told me, we need the East West Link. No arguments, no evasion and no delays. Victorians know that the project is shovel ready, fully funded and ready to go now. All that is needed to get things under way is for Bill Shorten to pick up the phone to Dan Andrews and tell him what he knew back in 2008—that the East West Link is good for Victorian families, good for jobs and good for business.

We know that it will create 6,500 jobs and save commuters in the Deakin electorate up to three hours a week in travel time. But the state Labor Party with the support of Bill Shorten...
would rather pay $1.2 billion in compensation not to build the road, so I say to Bill Shorten and Dan Andrews: get out of the way, honour the contracts and allow us to get on with the job. (Time expired)

Abbott Government

Mr CHAMPION (Wakefield) (13:44): We know that this government breaks its promises. We know about the GP tax. We know about the cuts to the SBS and the ABC. We know about the $80 billion worth of cuts to schools and hospitals, the six grand off hardworking families and the $100,000 degrees. We know all about trust and this government and trust and this Prime Minister. So when we see in Fairfax ‘Penalty rates set to stay regardless of the Productivity Commission’s recommendations’ we know what bunkum it is, we know what rubbish it is and we know that this commitment is just being set up to be broken. We know that the Productivity Commission is a bit like Henry Lawson’s 'loaded dog' at the moment; it is running around making its way through the government, none of whom is prepared to own up to their secret desires to cut overtime and penalty rates. That is what they have been up to, that is what they are about. It is no different all the way along—feed the donkey less and whip him harder is the coalition's industrial relations policy, and that is what they intend to do. With the spectre of an election this year, these commitments are as worthless as this Prime Minister's word and this Prime Minister's future.

Hindmarsh Electorate: West Beach Surf Life Saving Club

Mr WILLIAMS (Hindmarsh) (13:45): On Saturday, 14 February I took part in the West Beach Surf Life Saving Club’s annual Pink Swim, a fundraising event to support the National Breast Cancer Foundation. The West Beach Surf Life Saving Club is one of five clubs in my electorate of Hindmarsh, all of which are dedicated to providing a service to the community and all those who use the beach. One in eight women will develop breast cancer in their lifetime, so fundraising events like the Pink Swim are extremely important. I congratulate President Peter Zuill, the West Beach Surf Life Saving Club and the Pink Swim Team, including Mel Davis-Bishop, for their efforts.

Over 600 people turned out to support the Pink Swim, which is in its third year and going from strength to strength. Last year I attended as a spectator. However, this year I was privileged to don a pink cap and join with my wife and the hundreds of participants who took part in a swim of either 200, 400, 700 or 1,000 metres. The Pink Swim raised over $11,000, beating the 2014 level—a terrific achievement. The funds will go towards research programs aimed at the prevention and cure of breast cancer and help the National Breast Cancer Foundation reach its goal of working towards zero deaths from breast cancer by 2030.

The West Beach Surf Life Saving Club had great community support from the City of Charles Sturt Council and Adelaide Shores and many other local businesses who sponsored the event. I was pleased to be joined in the event by South Australian Liberal Leader Steven Marshall and Deputy Leader Vickie Chapman, who helped to support the event. I look forward to taking part in the Pink Swim again in 2016. (Time expired)

Abbott Government

Mr GILES (Scullin) (13:47): Make no mistake, this is a government that is deeply committed to attacking the Australian social compact. This is a government that is committed to dividing Australians, not bringing them together. This is a government that is committed to
pulling apart the social wage that has sustained that Australian social compact. We have seen that in the government's desperate attempts to undermine Medicare through this rotten budget. This is a government that is also committed to undermining the wages and conditions of Australian workers. We see this in the clear language before us in the reference the Treasurer has given to the Productivity Commission. We see that in the words on paper, not the words spoken in such a dissembling way by the Minister for Employment today.

One thing we do know about this government is that they should not be judged by their word. This government, which said one thing before the election, has done something else since. They should be judged by their actions. This is a government that is committed to extending what should stay dead, buried and cremated. The Productivity Commission report is a road map back to Work Choices. It puts at risk everything that matters to every Australian who works for a living. It does not acknowledge the real circumstances of Australian families—for all the weasel words we heard before the election. This is a government that is out of touch with the circumstances of Australian families and untrustworthy. Perhaps more profoundly it is a government that is unconcerned about the people they should be representing and that is why they should be condemned. (Time expired)

**Food Labelling**

**Mr PITT** (Hinkler) (13:49): Nationals MPs and senators such as John 'Wacka' Williams have been fighting for more accurate country-of-origin food labelling for more than a decade. We place enormous red-tape burdens and cost pressures on our growers to ensure that Australian produce is of the highest possible standard. Much of it is exported overseas. And because our supermarket duopoly is hell-bent on cutting its own costs wherever possible, they stock our own shelves with inferior foreign imports. I am tired of seeing our growers being squeezed for every last cent, when overseas growers do not have to meet the same biosecurity and health and safety standards. Australians deserve a clear choice and to know exactly what it is they are buying.

There have been countless inquiries and reports over the years, but to no avail. Today we find ourselves in a situation where 18 Australians have contracted hepatitis A from frozen berries sourced from overseas. I have spoken before in this place about the import risk assessment processes for ginger, pineapples and melons. The scientific process that determines whether produce from a particular country should be allowed into Australia is lengthy and detailed. There has been widespread debate about our screening systems. But in my mind the solution is simple: give Australians the choice. Clear labelling will ensure they are informed about what it is they are buying and feeding their families. Saying the product is 'made from local and imported ingredients' does not cut it! I say: no more! There is a simple fix: 'proudly Australian grown product of Australia'.

**Workplace Relations**

**Ms BRODTMANN** (Canberra) (13:50): More than 16,000 workers in the ACT are on penalty rates and rely on them to make ends meet. Often they are low-paid workers, shift workers or part-time workers. Penalty rates allow these people to put food on the table, to pay their rent, to pay their mortgage, to pay their bills and to pay their car repayments. Without these penalty rates, these workers and their family will suffer. They are concerned about the Abbott government's plans for their future. They do not want a return to Work Choices. They do not want a return to a Howard government era industrial relations regime.
The Prime Minister needs to set the record straight in parliament that he has no plan to cut the minimum wage that 1.5 million Australians rely on and no intention to change the penalty rates on which up to 4.5 million Australians rely. The government also needs to lay off the Public Service. Just last week they made an absolutely abysmal offer to Defence Department staff. They were offered a below-inflation pay deal and a deterioration in their conditions. This was on top of the insulting and disgraceful below-inflation pay offer made to our ADF personnel. These are people who put their lives on the line for this country and go out to defend our nation's security and our national interest. It is an absolute disgrace. (Time expired)

Environment

Ms HENDERSON (Corangamite) (13:52): After a long campaign for stronger clean air standards, I am delighted that our government has announced a comprehensive review of the standards which govern sulfur dioxide emissions. This is a very big issue in the coastal town of Anglesea in the Corangamite electorate I proudly represent. Currently, Alcoa’s coal fired power plant in Anglesea emits some 39,000 tonnes of sulfur dioxide, an amount three times that emitted by Hazelwood Power Station in Morwell. Clearly the standards are too lenient and too weak, and I am very pleased that our government is taking the action that is required to strengthen these standards. When inhaled, sulfur dioxide can significantly affect human health, causing airway irritation particularly for people with asthma or other respiratory conditions. On Thursday Minister Hunt will meet with state and territory environment ministers, at which time sulfur dioxide emissions will firmly be on the agenda.

As a strong environmentalist I am proud to advocate for cleaner air for the Surf Coast as well as speak out against onshore coal seam gas exploration and fracking in Corangamite. I am also a very strong advocate for renewable energy and the renewable energy target and very much hope that a bipartisan position on the RET can be achieved so that certainty can return to the renewables industry sector.

Abbott Government

Ms RYAN (Lalor—Opposition Whip) (13:53): I rise today to speak about trust—trust that the electorate should be able to have in its elected government. Unfortunately, we are in a situation where that trust is diminishing daily, and today is another day where our trust is being tested. Lots of Australians trusted this government when they said there would be no cuts to education. Look what happened to that promise. Lots of people trusted this government that there would be no changes to higher education, and we have been in here this week debating higher education because they want to introduce $100,000 degrees. The trust is diminishing daily.

They said there would be no cuts to health and have just attacked Medicare, and now we are up to the big one—the one that every Australian family relies on to make ends meet. We are up to them not being able to be trusted on industrial relations. The Prime Minister now is saying that he has no intention of touching penalty rates. I say I do not believe you, Prime Minister, because I trusted you on other things like people in my electorate did and I know now that you did not mean those promises. You do not mean this one. Penalty rates are under attack. The minimum wage is under attack. This government does not like Australian workers. This government does not like the Australian public. That is what it has come to.
The Australian public have lost their trust in this government and in this Prime Minister like his backbenchers lost their trust in him.

**Flynn Electorate: Aboriginal Ranger Program**

**Mr O'DOWD** (Flynn) (13:55): I take this opportunity to support the new Aboriginal Ranger Program in the port city of Gladstone in the electorate of Flynn, having met with the Aboriginal community leaders last week who presented Gidarjil in Central Queensland. They have proposed a sea ranger program to satisfy the demand for skilled, trained and experienced rangers in the area. Gladstone will be front and centre with a plan to preserve marine life in the Gladstone harbour.

There are academic benefits also. It will keep children in school longer. It will give them more education when they leave school. School leavers will have a higher level of education and understanding. There are also employment opportunities for the Aboriginal community in and around Gladstone and in the Aboriginal shire.

The program will be heavily involved in the environmental space. Rangers can study up to 180 courses, including 5,000 competencies to handle issues affecting the environment. The plan is for the program to be economically sustainable in the long term. It will also develop educational and environmental outcomes and reflect the views of the land's traditional owners and the managers of the sea country. I will raise this proposal with the Minister for the Environment and the Minister for Indigenous Affairs.

I think this project, with an initial investment from the government, would see long-term social, environmental and economic returns. *(Time expired)*

**Abbott Government**

**Ms CHESTERS** (Bendigo) (13:56): I have to be frank: 90 seconds is not enough to outline the horrible attacks this government has made on working people. The Liberal government is undermining wages and conditions in this country right now. I need 90,000 seconds to outline exactly what this government is doing to working people.

This government is full of contradictions. The minister may come out and say in today's paper that penalty rates are set to stay regardless of the productivity recommendations. Then why hasn't this minister withdrawn his Fair Work Australia bill to bring back IFA—individual flexibility agreements—which can see workers lose penalty rates? If this minister and this Prime Minister are committed to what they are saying today in the media then why would they not withdraw their attacks on the minimum wage and actually change what they put forward in the Productivity Commission? The minister has the power to actually change the terms of reference to the Productivity Commission, so why doesn't he step up to the plate and do it?

Working people rely on penalty rates. This is how they pay their bills. It is wrong for the Prime Minister to say, 'That's fine; just don't go to work.' I would like to see what would happen if an ambo does not turn up. I would like to see what would happen if a nurse does not turn up. This government only wants to do one thing, and that is attack working people. *(Time expired)*
Ms GAMBARO (Brisbane) (13:58): I would like to update the House on a recent visit with Minister Ronaldson, Minister for Veterans' Affairs, to the Mates4Mates family recovery centre in Albion, Brisbane on 18 February. Mates4Mates was launched in March 2013 as an initiative of the Queensland branch of the RSL with a key focus on providing support for wounded, injured and ill current and ex-service personnel. The physical and psychological effects that modern warfare and training have on current and ex-service personnel can have a serious impact on the family unit, and Mates4Mates recognises the need to create a collaborative approach to support not only current and ex-service personnel but family members as well.

The family recovery centre plays a vital role in helping the families by working together with the individual, their family and other professionals involved in their care. It is this approach which makes Mates4Mates recovery centres unique. Mates4Mates currently has three family recovery centres based in Brisbane, Townsville and Hobart where 639 mates are receiving support, with ex-service personnel making up approximately 55 per cent of those supported. Additionally, 95 families currently access the centre for various support services.

I would like to thank especially Minister Ronaldson and also Miriam Dwyer, chair of Mates4Mates and CEO of the Gallipoli Medical Research Foundation; Peter Davies CBE, managing director of Mates4Mates; and Ricky Dumigan, manager of the Family Recovery Centre in Brisbane.

The SPEAKER: I call the honourable member for Gellibrand for about 15 seconds.

**Workplace Relations**

Mr WATTS (Gellibrand) (13:59): This is like an episode of *The Walking Dead*. The Liberal Party's attack on penalty rates in this country is the idea that will not die. They have never seen a pay cheque they do not want to cut.

The SPEAKER: Time has expired. The member will resume his seat.

Mr WATTS: Australian workers have been in their sights for the last 10 years.

The SPEAKER: I said the member will resume his seat. In accordance with standing order 43, the time for members' statements has concluded.

**QUESTIONS WITHOUT NOTICE**

**Australian Human Rights Commission**

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:00): My question is to the Prime Minister. I refer to evidence in Senate estimates today that the government offered an inducement for the President of the Australian Human Rights Commission to resign. Was the Prime Minister or his office aware that the Attorney-General had authorised this inducement?

The SPEAKER: I think the use of the word 'inducement' is debate and is of the nature of an allegation. I think I would prefer you to use another word.

Mr Burke: Madam Speaker, on a point of order, the use of that particular word is because of specific evidence that has been given in Senate estimates and is only referring to it as has been given in evidence.
Mr Pyne: Madam Speaker, on the point of order, I am sure you are entirely across it, but the reality is that, under standing order 100, it is acceptable for the Leader of the Opposition to ask factual questions based on fact, especially about a serious matter, but the word 'inducement' connotes a certain dishonesty and as a consequence, therefore, it would be out of order. If the Leader of the Opposition wants to ask a serious factual question about a serious matter then he should do so, and he would be better advised to do that than to mix it up with debate, as you pointed out in the point you made earlier. It offends standing order 100(d)—'Questions must not contain'—and therefore I would ask you to either rule it out of order or take another course where the Leader of the Opposition can withdraw that particular word.

The SPEAKER: I think I would prefer you to use another term if you would like to rephrase your question.

Mr Shorten: Thank you, Madam Speaker. I am happy to use another term.

The SPEAKER: One that is suitable and in the same context as I am indicating.

Mr Shorten: I think the context will become clear. Was the Prime Minister or his office aware that the resignation of the President of the Human Rights Commission was being sought on the authority of the Attorney-General, and was the Prime Minister or his office aware that a specific role was being offered to the President of the Human Rights Commission on the condition that she resign?

Mr Abbott (Warringah—Prime Minister) (14:03): It is true that the government has lost confidence in the President of the Human Rights Commission. The government has lost confidence in the President of the Human Rights Commission.

Opposition members interjecting—

The SPEAKER: There will be silence on my left.

Mr Abbott: Let members of this parliament understand exactly what this President of the Human Rights Commission has been doing. This president recommended that taxpayers pay $300,000 in reparations to a convicted murderer—

Mr Burke: Madam Speaker, on a point of order, in your earlier ruling you insisted that the language provide nothing that could be considered to be in any way political or in any—

The SPEAKER: There is no point of order.

Mr Burke: Madam Speaker, in that context, the rule of direct relevance should be strictly observed.

The SPEAKER: The member will resume his seat.

Mr Burke interjecting—

The SPEAKER: The member will resume his seat. He is perfectly well aware that the standing orders apply to questions, not to answers. The Prime Minister has the call. A further point of order?

Mr Burke: Yes, Madam Speaker. You have just said that the standing orders apply to questions, not to answers.

The SPEAKER: Standing order 100 I am referring to.

Mr Burke: Yes, but I raised direct relevance, which is 104, which is under the big letters 'Answers'. It is in bold.
Government members interjecting—

The SPEAKER: It is all right. The question is one of relevance, and of course it applies to answers. The Prime Minister will be relevant to the question.

Mr ABBOTT: Thank you, Madam Speaker. I have been asked about Professor Triggs, and I am answering that question. The Human Rights Commission has recently brought down a report on children in detention. All of us want to see children out of detention, and the way to get children out of immigration detention is to stop the boats.

Ms Butler interjecting—

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

Mr ABBOTT: And that is exactly what this government has done and, as a result of this government stopping the boats, children are leaving immigration detention.

Under the policies of members opposite, when 50,000 people came illegally to this country by boat, at its peak there were almost 2,000 children in detention. At the time of the election, there were 1,400 children in detention. Professor Triggs did not have an inquiry into children in detention when there were 2,000 of them or when there were 1,400 of them.

Mr Dreyfus: Madam Speaker, on a point of order under standing order 91, the Prime Minister is wilfully disregarding the authority of the Speaker.

The SPEAKER: The member will resume his seat. There is no point of order.

Mr ABBOTT: Professor Triggs did not have an inquiry into children in detention when there were 2,000 of them or when there were 1,400 of them, but we do know that she did discuss it with Labor members of parliament and with ministers in the former government and decided not to do it because, she said, it would be too political. It is too political to have an inquiry into children in detention when there are 1,400 of them, but it is not too political to do it when the number is under 200.

Dr Chalmers interjecting—

The SPEAKER: The member for Rankin will desist.

Mr ABBOTT: It is absolutely crystal clear: this inquiry by the President of the Human Rights Commission is a political stitch-up. It is a political stitch-up, and it will be called out by members of this government.

This government has lost confidence in the President of the Human Rights Commission. I do not know what matters have been canvassed with Professor Triggs.

Opposition members interjecting—

Mr ABBOTT: All I know—

Opposition members interjecting—

The SPEAKER: There will be silence on my left!

Mr ABBOTT: is that she was asked by Labor, 'Do you understand it to be an inducement?' and she said, 'I prefer not to use that term.' If she would rather not use that term, members opposite should not either.

Opposition members interjecting—
The SPEAKER: That sort of raucous behaviour is totally unacceptable and will not be tolerated.

National Security

Ms LANDRY (Capricornia) (14:07): My question is to the Prime Minister. Will the Prime Minister advise the House how revoking Australian citizenship for dual nationals involved in terrorism will strengthen our national security?

Mr ABBOTT (Warringah—Prime Minister) (14:08): I thank the member for Capricornia for her question, and I appreciate the pain her people have suffered in recent days as a result of Cyclone Marcia. I am looking forward to being in her part of the world very soon to see what governments state and federal and agencies state and federal are doing to restore the situation.

The highest duty of government, a duty from which this government will never rest or flinch, is the safety of the community. We will discharge that responsibility to the very best of our ability. It is more necessary than ever because there are now more than 100 Australians fighting with the ISIL, or Daesh, death cult in the Middle East; there are about 150 Australians supporting them with funding and recruiting; and our security agencies say that there are about 400 Australians who are talking about violence to our fellow Australians.

Honourable members interjecting—

Mr ABBOTT: Madam Speaker?

The SPEAKER: The Prime Minister has the call.

Mr ABBOTT: The inspiration for all of this is the Daesh death cult, the Islamist death cult in the Middle East, which is enjoining those who have fallen under its evil spell to take an unbeliever anywhere they find them and to kill them. That is the inspiration for this. We have seen this evil inspiration at work in the frenzied attack on policemen in Victoria. We have seen this evil inspiration at work in the Martin Place atrocity. And fully half, our security agencies believe, of those Australians fighting with the death cult in the Middle East are dual nationals.

I have a very clear message: if you are a dual citizen and you become involved in terrorism overseas, you will lose your citizenship of Australia. Britain strips terrorists of their citizenship; Canada strips terrorists of their citizenship; France strips terrorists of their citizenship; and we should also. Again I remind people of the pledge that every citizen makes to this country. It is to this country of ours ‘whose democratic beliefs I share, whose rights and liberties I respect, and whose laws I will uphold and obey’.

It is not enough to say it; people have to mean it. It is not enough to mean it once; you have to mean it always. You have to live it. People fighting with these terrorist groups overseas have declared war on Australia. Anyone fighting for the death cult has forfeited his or her right to be considered an Australian. This is the least we can expect of our fellow Australians: not to fight against our country and its values.

Australian Human Rights Commission

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:11): My question is to the Prime Minister. Was the Prime Minister's office aware that the Attorney-General was asking
the President of the Australian Human Rights Commission to resign and offering her another job in order to persuade her to resign?

Mr ABBOTT (Warringah—Prime Minister) (14:11): I do not presume to be across what may or may not have been said in evidence in Senate estimates today.

Ms Claydon interjecting—

The SPEAKER: The member for Newcastle is not in her seat and will desist!

Mr ABBOTT: I do not claim to be across what may or may not have been canvassed between the President of the Human Rights Commission and the Attorney or indeed any other member of this government. All I know is that this government has lost confidence in the President of the Human Rights Commission. I believe the Australian people have lost confidence in the President of the Human Rights Commission, because any person who seriously recommends that a convicted murderer should be paid $300,000 in compensation for being in immigration detention has simply—

The SPEAKER: The Prime Minister will resume his seat.

Mr Burke: Madam Speaker, I—

The SPEAKER: I call the honourable member for Mitchell.

National Security

Iraq and Syria

Mr HAWKE (Mitchell) (14:12): My question is to the Minister for Foreign Affairs. Will the minister update the House on recent developments with foreign fighters and outline the action the government is taking to prevent young Australians leaving to participate in the Syria and Iraq conflict?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:13): I thank the member for Mitchell for his question demonstrating his deep concern about this issue. The risks to Australia, to our region and indeed to the globe of foreign terrorist fighters supporting the terrorist organisation Daesh and its affiliates are escalating. The Australian government knows of about 110 Australians who have now taken up arms to fight with Daesh, or ISIL, in Syria and Iraq. Around 150 people in Australia are actively supporting Daesh. Over 20 Australians have been killed in these conflicts, and it is inevitable that more will die, not as martyrs but just in a senseless waste of life, expendable fodder for an evil cause.

The overwhelming majority of foreign fighters are vulnerable young people, often with a deeply troubled past. The demographic continues to get younger. An estimated one-fifth of foreign fighters in the Syria-Iraq conflicts are women and girls, and Daesh preys upon them. Vulnerable young people are being radicalised online, seduced by a simplistic, primitive narrative that they hope will fill some void. It will not.

Our security and law enforcement agencies are pursuing those who seek to corrupt and radicalise vulnerable members of our community. We are confronting the terrorist narrative. We have made advocating terrorism an offence under the Criminal Code. We are shutting down terrorist websites. We are removing extremist content that poses a national security risk.

Almost 100 passports have now been cancelled of those seeing to take part in the conflicts in Syria and Iraq. I have also suspended seven passports, under new powers pursuant to our
counterterrorism foreign fighters act, which came into force last year, and I have refused to issue around 12 more passports, based on advice from our security agencies.

For too long, Islamic extremists have exploited the tolerance and freedom of Australian society. The Abbott government has now ensured over 100 extremists have had their welfare entitlements cancelled. New laws allowing the government to cancel welfare on security grounds came into force late last year, and we will continue to look for and close any gaps in our system that would allow a foreign terrorist fighter to continue to receive welfare—welfare funded by the Australian taxpayer.

The government is taking appropriate action to prevent the radicalisation of vulnerable young Australians and to keep our country safe from terrorism. The No. 1 security priority of this government is to keep our people safe from radicalisation that leads to terrorist acts.

**Australian Human Rights Commission**

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:16): My question is to the Prime Minister. I refer to the Prime Minister's last answer, in which he said that the President of the Human Rights Commission had lost the confidence of the government. If that is the case, why were you willing to offer her another job?

Mr ABBOTT (Warringah—Prime Minister) (14:16): I simply repeat that I am not aware of what is being canvassed in Senate estimates and I am not aware of what might have been canvassed between the President of Human Rights Commission and officials. I simply am not aware.

Mr Bowen interjecting—

The SPEAKER: Member for McMahon!

Mr ABBOTT: Obviously, we question the competence and the judgement of the President of the Human Rights Commission; she somehow thought, after discussions with ministers in the former government, that it was too political to have an inquiry—when this was a real problem.

Mr Champion interjecting—

The SPEAKER: Member for Wakefield!

Mr ABBOTT: Now that the problem is as it should be, now that it is dissipating, she has the inquiry—

Mr Burke: Madam Speaker, on a point of order—

Mr ABBOTT: The Prime Minister will resume his seat.

Mr ABBOTT: I have concluded my answer.

The SPEAKER: I call the Leader of the House.

Mr Pyne: Madam Speaker, under 91(f) of the standing orders, it is quite disorderly for the opposition to have a wall of noise every time the Prime Minister tries to answer a question. If
they want an answer from the Prime Minister, they should give him the opportunity to answer the question. And I would dare to ask you to—

*Opposition members interjecting—*

**Mr Pyne:** See, they are doing it now, Madam Speaker; they cannot help themselves. I would ask you to call them to order during the—

**The SPEAKER:** The Leader of the House will resume his seat. There is no point of order.

I am going to give the call to the member for Indi, and I expect some silence so we can hear the question.

**Rail Infrastructure**

**Ms McGOWAN** (Indi) (14:19): My question is to the Deputy Prime Minister and the Minister for Infrastructure and Regional Development. Minister, do you agree that a high-speed rail passenger network connecting Melbourne to Brisbane with a station at Wodonga in Indi will transform regional Australia? Minister, what are you doing to progress this project and the recommendations of the 2013 High Speed Rail Advisory Group?

**Mr TRUSS** (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:19): I thank the honourable member for her question. There is no doubt at all that a high-speed rail line would transform regional Australia and of course also the transport network between our capital cities. As we look forward to the future, we need to examine the role that each mode of transport can play in our future transport needs, and that will be a major challenge.

As the honourable member will be aware, the phase 2 study of the inland rail project identified that the project was feasible but that it would have very substantial costs. Their estimate was about $114 billion, in 2013 numbers; and clearly that number is going to continue to go up as time goes by. They also suggested that an appropriate time frame in which to build this project would be between 2027 and 2065. It is a very big project and would require major effort. When this government came to office, I wrote to the states, following the phase 2 study, and asked them to engage in discussions in relation to the acquisition or reservation of the corridor.

*Mr Albanese interjecting—*

**The SPEAKER:** Member for Grayndler! You will desist or leave.

**Mr TRUSS:** There are many thousands of properties that would have to be resumed or reserved for this purpose. They are in urban areas; they are in rural areas; they are in national parks, and all sorts of sensitive areas. Clearly we need to be working on that kind of thing early in the piece. The states, to be fair, have not shown a great deal of enthusiasm to engage in that process. I can appreciate the very difficult and practical challenges that are faced in that regard.

The key issue is clearly going to be funding a project of this nature. We are looking at innovative ways in which it might be possible to fund a project of that size. I have had many offers from international companies to build the project but no-one has come offering the money. In view of the fact that we are heavily focused on paying off the debt left to us by Labor and paying the interest on that bill, it is much more difficult to go out and borrow money of that magnitude. But the honourable member for Bennelong and his committee have
been doing work on innovative funding proposals, including value capture and the like, and that is an all-important part of building a case and establishing the practicality of building a project of this magnitude.

So we are progressing the study, looking at what the options might be and, hopefully, coming to a position with cooperation between the states and the territories so there can be a definite decision made to take the next steps towards a project of this nature. But, clearly, we need to be sure that it is economically viable. There are engineering and environmental challenges and we will work constructively to achieve solutions to those issues.

National Security

Mr CRAIG KELLY (Hughes) (14:22): My question is to the Minister for Justice. Will the minister inform the House of the importance of metadata to the detection and disruption of terrorist networks?

Mr KEENAN (Stirling—Minister for Justice) (14:23): I thank the member for Hughes for that important question. He, I think, like most members of this House, would be fully aware that the security situation in Australia has deteriorated significantly in the past 12 months in response to international events, in particular in the Middle East.

In the past six months alone in Australia we have had 20 people arrested and charged as a result of six counterterrorism operations. That is fully one-third of all terrorism related arrests that have been made in Australia since 2001 in the last six months alone.

We need to support our law enforcement and security agencies in the difficult work that they need to do to keep the Australian community safe. In almost all of their counterterrorism investigations they utilise metadata—92 per cent of all security related investigations utilise metadata. And for the first time in our history we have had the Director-General of ASIO raise the national terrorism alert to high, which means that an attack is likely. Unfortunately, that is going to continue to be the case for some time. And it is incumbent upon this parliament to provide our agencies with the tools they need to do the job of keeping us safe.

Now, it is not just in the realm of national security where metadata is used by our law enforcement agencies. Every serious criminal investigation utilises metadata, whether that be terrorism related, gang related, a murder, a rape or a kidnapping; the police require access to metadata to do their job. And I think it is not well understood how successful our agencies actually have been in keeping the Australian people safe since 2001. We had a stark reminder in November 2005, when police disrupted a mass casualty attack which was planned on the MCG on grand final day. They could only have conducted the disruption of what was going to be a very serious attack because they could utilise metadata. Indeed, because they could access that metadata they intercepted a covert phone network between the people who wanted to perpetrate this crime. They were using it to conceal their activities—activities that involved them contacting one another and contacting people to get the ammunition and chemicals they needed to carry out this attack.

Opposition members interjecting—

Mr KEENAN: Apparently members on the other side think that is rather amusing—I think that is very sad. This data is collected routinely and it will continue to be collected routinely regardless of whether this legislation passes the parliament. All we are asking for is certainty for our law enforcement and intelligence community so that we give them the tools
that they need—the modern tools they need—to conduct their investigations. These people keep us safe and it is incumbent upon this parliament to make sure that they can continue to do their job.

**National Security**

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:26): My question is to the Prime Minister. I refer to the recent stream of leaks against the Prime Minister. Can the Prime Minister confirm that the Attorney-General warned the Prime Minister that the Prime Minister's partisan approach was 'playing with fire' on important national security matters? Can the Prime Minister also confirm that this is yet another leak from his dysfunctional cabinet?

Mr ABBOTT (Warringah—Prime Minister) (14:26): I seem to recall that on numerous occasions in this parliament I have paid tribute to the Leader of the Opposition for being bipartisan!

Mr Shorten: Thank you!

Mr ABBOTT: 'Thank you,' he says! Well, obviously by virtue of asking this question he does not want bipartisanship on national security matters! Really and truly! I have gone out of my way. This government has gone out of its way to include the opposition with the briefings on national security matters and with briefings on Australian Defence Force matters.

Mr Husic interjecting—

The SPEAKER: The member for Chifley!

Mr ABBOTT: We have gone out of our way to include the opposition in this. We really have, because I know that members opposite do not want to be irresponsible on this. I have always believed that if there is one subject on which members of the Labor Party wanted to be the patriots, it was national security.

To his credit, I think the Leader of the Opposition—

Mr Husic interjecting—

The SPEAKER: The member for Chifley is warned!

Mr ABBOTT: does want to be an Australian first and a party politician second when it comes to national security, but not today. Not this day! Not this day does he want to be worthy of the alternative Prime Ministership of his country.

I will continue to look for as much bipartisanship as possible with members opposite. But if they are going to play politics with it they will rightly forfeit the trust and respect of the Australian people.

Dr Chalmers interjecting—

The SPEAKER: The member for Rankin is warned!

**Asylum Seekers**

Dr HENDY (Eden-Monaro) (14:28): My question is to the Minister for Immigration and Border Protection. Will the minister advise the House of the importance of strong and consistent policies on border protection? What effect do strong and consistent policies have on the budget?

An opposition member interjecting—
The SPEAKER: Before I call the minister, there will be silence on my left so that we can hear the answer. And I would advise that the members for Scullion, Newcastle, Griffith, Lalor and Chisholm, none of whom are sitting in their own seats, are not entitled to speak unless they return to those seats. That includes interjections, and if they persist they will be asked to leave.

Mr DUTTON (Dickson—Minister for Immigration and Border Protection) (14:29): I thank the member for his question. The Australian public knows that the coalition government, the Liberal and National parties, have been absolutely consistent since the Howard years in relation to border protection. We have stood up on this issue on many occasions when the Labor Party has flip-flopped all over the place.

Mr Champion interjecting—

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

The member for Wakefield then left the chamber.

Mr DUTTON: They flip-flop all over the place when it comes to border protection. The evidence is certainly in the numbers that I want to refer to in this answer. We know that in 2013, under Labor, 302 boats arrived in a single year.

Mr Perrett interjecting—

The SPEAKER: And if the member for Moreton wants to join him, keep it up.

Mr DUTTON: As the Prime Minister mentioned earlier, over the course of Labor's government from 2007 to 2013, 50,000 people on 800 boats arrived into our country including 8,000 children. At the peak, under Labor, almost 2,000 children were in held detention onshore and it was a disgrace but it was reflective of the flip-flop policies of Labor when it came to border protection. We know that when the Leader of the Opposition was in the cabinet in the Rudd-Gillard years, over that period Labor did not have a single consistency when it came to border protection. As I said, under the Howard years and under the Abbott years we have been consistent, strong and tough on this policy and necessarily so.

When the Leader of the Opposition was a cabinet minister in the Labor government, we know that they did not have just one position when it came to border protection; they did not have just two positions. How many do you think they had when they were in government? Was it four or five? It was 11 positions, 11 different policies when it came to border protection. It was a disgraceful failure presided over by this man opposite who seeks to be the Prime Minister of this country. I can tell you that nothing has changed during their time in opposition. This Labor opposition continues to flip-flop when it comes to border protection.

This government has presided over securing our borders. If you lose control of your borders, you have failed the Australian people. Labor has failed the Australian people consistently for many years. There is an enormous economic dividend by securing our borders. Not only have we stopped the boats but we have returned significant savings to the budget as a result of stopping those boats. But more importantly, we have stopped 1,200 people drowning at sea, which is what Labor presided over. There is also a humanitarian dividend on top of the economic dividend and that means that we can have more people into our country under the humanitarian program. Labor flip-flops when it comes to border protection.
Let me tell you, Bill Shorten is no better than Julia Gillard or Kevin Rudd.

**Abbott Government**

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (14:32): My question is to the Prime Minister. Given today's report that seven cabinet ministers have abandoned the Prime Minister and given the Prime Minister had no issues in moving quickly to sack the Father of the House as his chief whip, will the Prime Minister be sacking any of his cabinet colleagues for the recent stream of leaks which have been squarely targeted at the Prime Minister?

**The SPEAKER:** That question is totally out of order.

**Defence**

Mrs GRIGGS (Solomon) (14:33): My question is to the Minister for Defence.

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

**The SPEAKER:** There is no point of order.

Mr Burke interjecting—

**The SPEAKER:** I would not advise the Manager of Opposition Business to be too smart, but he has the call.

Mr Burke: The question went specifically to whether or not ministers would be remaining ministers.

**The SPEAKER:** There is no point of order. He will resume his seat. The member for Solomon has the call.

Mrs GRIGGS: My question is to the Minister for Defence.

Mr Dreyfus interjecting—

**The SPEAKER:** And the member for Isaacs will desist or leave, the choice is his.

Mrs GRIGGS: Will the minister please update the House on the activities of our troops currently serving in Iraq?

Mr ANDREWS (Menzies—Minister for Defence) (14:34): I thank the member for Solomon for her question and also thank her for the commendable job she does in representing the people of Darwin in this parliament, which includes some 5,000 military personnel. On that note, there are very significant military bases in the electorate of Solomon and in Darwin. I congratulate her also on recently being appointed as the chair of the coalition's backbench policy committee on Defence and veterans' affairs.

The first priority of a national government is the safety and security of the people of Australia. As the Foreign Minister pointed out earlier—

*Opposition members interjecting—*

Mr ANDREWS: Obviously the safety and security of the people of Australia is a joke to the people across there. This government takes the safety and security of the people of Australia as its first priority. As the Foreign Minister pointed out earlier in question time today, our Defence and security agencies are aware of more than 90 Australians involved in terrorist groups in Iraq and Syria. We know that there are some 140 additional people here in Australia actively supporting those terrorist activities and groups. So our contribution to
degrading and disrupting the activities of the Daesh death cult in the Middle East is significant and continuing. That involves six FA-18 Super Hornet aircraft, a KC-30 refuelling aircraft and an E-7 Wedgetail aircraft involved in intelligence gathering and other activities, flying combat missions and air strikes. Indeed, there have now been some 500 sorties flown over Iraq, more than 200 weapons have been used to strike the targets of Daesh fighters and their logistic hubs. So that is a significant contribution that our Defence Forces are making in the Middle East. In addition to that, there are some 200 special forces involved in training and mentoring members of the Iraqi security forces.

Today, the New Zealand government made a welcome commitment to deploy more than 100 defence personnel to help increase the capacity of the Iraqi forces, and I congratulate Prime Minister Key and Defence Minister Brownlee on that. We must remember why we are there. It is the executions, the crucifixions, the depravity and the brutality of Daesh that is a serious threat not just to peace-loving people in the Middle East, but to peace-loving people all over the world. The Australian government and our Defence forces remain steadfastly committed to supporting the Iraqi people in what we are doing in the Middle East.

Abbott Government

Ms MACKLIN (Jagajaga) (14:37): My question is to the Prime Minister. I refer to the recent stream of leaks against the Prime Minister: did the Prime Minister go against the advice of his then social services minister by deciding to cut the indexation of the pension?

Mr Pyne: Madam Speaker, these questions are clearly not in order. If the opposition wishes to rephrase them—

The SPEAKER: The Leader of the House can resume his seat. The question is not in order. If the member wishes to rephrase the question so that it is in order, she may try, but it is currently out of order.

Opposition members: Why?

The SPEAKER: You know perfectly well why it is out of order: it does not relate to a matter with which minister—

Opposition members interjecting—

The SPEAKER: I will take the Leader of the House.

Mr Pyne: The other reason it is out of order is that the question is entirely hypothetical. It is based on rumour, gossip and innuendo. If the opposition wants to ask a question about fact, then they can find under the standing order 100 plenty of room to do so, but asking a question about the rumour, gossip and innuendo that infect this building is not the basis for a question to the Prime Minister. How can the Prime Minister answer that question?

Mr Burke: On a point of order, Madam Speaker. The way the Prime Minister can answer the question is by answering 'Yes' or 'No' to whether or not he went against the advice of his then minister to cut the indexation of the pension. That is entirely the responsibility—

The SPEAKER: The member will resume his seat. The question is not in order under standing order 100. If the member wishes to rephrase, she may do so.

Ms MACKLIN: Thank you, Madam Speaker. I will leave out the first part of the question and ask the Prime Minister whether he went against the advice of his then social services minister by deciding to cut the indexation of the pension.
Mr ABBOTT (Warringah—Prime Minister) (14:39): Decisions of the Expenditure Review Committee are unanimous.

Ms MACKLIN: I seek leave to table an article from the newspaper, 'PM's cut—'

The SPEAKER: You know that under the standing orders you cannot table something that is already published.

Economy

WYATT ROY (Longman) (14:39): My question is to the Treasurer. Will the Treasurer outline how the government is building growth, jobs, and opportunity for all Australians?

An opposition member: That is not a question.

Mr HOCKEY (North Sydney—The Treasurer) (14:40): That is a better question; it is a question about facts. The Abbott government is building growth, jobs and opportunity for all Australians—building growth. The growth rate we are running today is much higher than it was under Labor. The job rate we are running today—job creation out there is running at three times the speed that it was under Labor. And as for opportunity, we are opening up new markets—free trade agreements with Korea, Japan and China open up new opportunity for everyday Australians—

The SPEAKER: The member for Moreton, one more utterance and you are out.

Mr HOCKEY: We inherited a legacy of debt and deficit from Labor as far as the eye could see. Every single day the Australian government is spending $100 million more than it collects in revenue. And every single day we have to go and borrow that money. We do not get back to a surplus; we do not live within our means until we start to reduce our expenditure without imposing a raft of new taxes on the Australian people.

You have to deal with the facts as they stand—something that the member for McMahon does not understand. We know he does not understand his facts, and nothing illustrates it better than these words from 2010:

… the Government has returned the budget to surplus three years ahead of schedule and ahead of any other major economy…

He was claiming credit for a surplus that was never delivered. In fact in that year, the then government—

Mr Bowen interjecting—

The SPEAKER: The member for McMahon!

Mr HOCKEY: delivered the biggest deficit in Australia's history—a $54.5 billion deficit. Oops, oops! $54.5 billion out. How did that happen? That is bad Bowen. The good news from the Abbott government is: we have found a good Bowen—Phil Bowen, the Parliamentary Budget Officer. He is a good Bowen; he is a believable Bowen. He said in Senate estimates yesterday:

In relation to the current budget it is certainly necessary to get the deficit under control.

He also said:

This is not a situation that we can continue to live with over the longer term. … Increasing debt risks crowding out private sector investment and negatively impacting economic growth.
Good Bowen knows what he is talking about. He says you have to get the debt down; he says you have to get the deficit down; he says you have to create jobs; he says you have to create opportunity. That is a good Bowen; that is a Bowen that understands his facts; that is a Bowen that gets it right. Bad Bowen, unfortunately, leaves behind the Australian people, has no economic credibility and represents the very worst of the modern Labor Party.

Abbott Government

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:43): My question is to the Prime Minister. I refer to the pension cut leak, the GP tax leak, the NewStart leak—not the leak by the treasurer of the Liberal Party—and I ask him: does the Prime Minister agree that the stream of leaks that we are now seeing from inside the government is a sign of how betrayed by this government even good Liberal people feel?

The SPEAKER: The question is quite out of order.

Mr Shorten: On a point of order, Madam Speaker. I am quoting, but am substituting 'Liberal' for 'Labor', the member for Warringah, 24 November 2010. I am quoting the Prime Minister's own words about the stream of leaks and I am reminding him of his own medicine—

The SPEAKER: And the question is out of order.

Small Business

Mr WHITELEY (Braddon) (14:44): Thank you, Madam Speaker. It is a bit rich him talking about betrayal. My question is to the Minister for Small Business. Will the minister advise the House how the government is backing small business in my electorate of Braddon and elsewhere across the country?

Mr BILLSON (Dunkley—Minister for Small Business) (14:44): I thank the member for Braddon. He does a fantastic job representing the 6,755 small businesses in his electorate. Congratulations for that work. He, along with many Tasmanian members, was very happy when we were pleased to announce $1.4 million in funding for business advisory services in Tasmania to be delivered in and largely from the member's electorate. This is part of our $18 million Australian Small Business Advisory Services Program. It aims to improve the capacity of established, successful and effective not-for-profit small business service program deliverers and to get behind the enterprise we see in small business and family enterprises. It is about providing low-cost advisory and information services to help these businesses build their business, make the most of their team, work out funding opportunities and understand their finances, and it is about digital engagement and getting the most out of the digital economy—just like those tourism operators I was pleased to meet with the member for Braddon at the House of Anvers in Latrobe. It is a chance for them to walk in and get that support to build their businesses and the jobs that they create.

Across the economy, getting the right conditions for our small business is the focus of this government. Let us look at progress so far. We have abolished the carbon tax—great news for small business. There is over $2 billion of red tape reduction—again, great news for small business. We have reformed the national franchising code. There are the trade agreements with China, Japan and Korea—opening the door to hundreds of millions of new prospective customers. We are working hard to fix the damage that Labor caused to employee share schemes and getting a framework in place for crowd-source equity funding.
The Prime Minister has highlighted how jobs in small business are key priorities for this government. As part of the budget, we will deliver a small business package which will include a 1.5 per cent, at least, reduction in the company tax rate for small businesses. All of this is contributing to improving the trading and business conditions that we saw under the previous government. Yet we saw this Leader of the Opposition standing in front of cameras in Melbourne spreading mistruths when he said, 'We have business confidence at an all-time low.' That is dead wrong. Here are the facts for the Leader of the Opposition. The record low for business confidence was under Labor—another Labor legacy; a dubious honour. The latest National Australia Bank quarterly business confidence index is in positive territory, as it was all the way through 2014. So what is Labor on about? Are they trying to create an economic anxiety climate? Are they a wet blanket on optimism? Are they poisoning the green shoots of our economy? While Labor are trying to strike fear into the economy and enterprising Australians, we are getting on with the job of getting the right conditions to recover some of the 519,000 jobs lost under Labor. We are getting on with the work; you are just trying to frighten people.

**Medicare**

Ms KING (Ballarat) (14:48): My question is to the Prime Minister. Can the Prime Minister confirm that he insisted on the policy that would have seen a $20 cut to the Medicare rebate for short consultations, against the concerns of the Treasurer and the then Minister for Health?

Mr ABBOTT (Warringah—Prime Minister) (14:48): Again I say to members opposite that all decisions of the Expenditure Review Committee are unanimous. All decisions are unanimous. Lots of things are canvassed, as you would expect, and lots of issues and lots of options are debated, but all decisions of the Expenditure Review Committee are unanimous. What we have seen from members opposite today is a complete fixation with Canberra insider beltway gossip. They are welcome to their insider fixations. They are welcome to all this tawdry politics, but what the Australian people want is a government which is focused on the people of Australia, a government which every day is making good decisions that will improve the welfare of the people of Australia—and every day that is exactly what this government is doing.

Just in the last 10 days or so we have lowered the screening threshold for foreign purchases of agricultural land—a problem that was completely ignored by members opposite. Just last week we have a way forward for the Future Submarine project, where members opposite sat on their hands for six years. Just last week we committed federal money to a public transport infrastructure project in the ACT. The ACT Labor Party is at least prepared to privatise, unlike members opposite who will not do anything—even cooperate in a study of the nuclear cycle in South Australia. Just this week we have got on with the job of protecting Australia from the threat of death cult terrorism. Every day we are doing what is necessary for the people of Australia.

Last week I was in Tasmania announcing five new dams. That will set up the agricultural industries of Tasmania for the future. On Saturday I was in Darwin opening a $100 million export meat processing facility. It never would have happened under Labor. They closed the beef export industry down. That is what they did. You never would have those sorts of investments under a carbon tax. You never would have those sorts of investments without the
free trade deals that we have negotiated. You never would have had those sorts of investments when they were closing down the live cattle trade in panic at a television program. They can play politics all they like, but the people of Australia want good government—and that is what they are getting every day from this government.

Opposition members interjecting—

The SPEAKER: Before I give the honourable member for Hume the call, the cacophony on my left will cease.

Tax Avoidance

Mr TAYLOR (Hume) (14:51): My question is to the Assistant Treasurer. Will the Assistant Treasurer update the House on the government's actions to crack down on multinational tax avoidance and ensure that companies meet their tax obligations? Are there any risks to this approach?

Mr FRYDENBERG (Kooyong—Assistant Treasurer) (14:52): I thank the member for Hume for his question—

Dr Chalmers interjecting—

The SPEAKER: The member for Rankin will leave the chamber under 94(a).

The member for Rankin then left the chamber.

Mr FRYDENBERG: and acknowledge the economic expertise he brings to this place. Multinationals are not new. Companies like IBM, Shell and Citibank have been trading goods and services across state boundaries for nearly a century. With the increasing digitisation of our economy, it is becoming more and more difficult for tax authorities to appropriately tax multinationals. So that is why the Abbott government are moving on a number of fronts. First, legislatively: we have tightened the thin capitalisation rules to prevent excessive debt deductions. Second, resourcing: we have given more resources where it is needed most—

Mr Perrett interjecting—

The SPEAKER: The member for Moreton will leave the chamber under 94(a).

The member for Moreton then left the chamber.

Mr FRYDENBERG: so that the international tax division in the ATO is larger under us than it was under Labor. We are working cooperatively, led by the Treasurer through the G20 process, to get greater information sharing. I am asked are there any risks to this approach. The biggest risks are coming from those opposite, because just the other week we passed through the Senate legislation which will give us a saving to the budget of $1.3 billion by improving the R&D tax concessions for some of Australia's largest companies, including multinationals. Do you know what? Those opposite opposed it, even though it was their legislation when they went to last election.

I have a quote that I would like to share. It is a very good quote. It says:

We said we would remove the R&D tax concession for large companies with a $20 billion Australian turnover or more, to ensure innovation spending is directed to where we will have the biggest benefit … it's a down payment on the repair that the budget needs.

Who do you think said that? Prime Minister, did you say that? Treasurer, did you say that? Did the member for McMahon say that, the professor of ouzo economics with a masters in the
marginal tax scales? No. It was the member for Lilley—Euromoney's treasurer of the year and the second most famous graduate out of Nambour high.

Always look at what Labor does not what Labor says. I want to finish with a quote and it comes from an interview on AM on 17 July between Chris Uhlmann and the Leader of the Opposition. The question from Chris Uhlmann to the Leader of the Opposition:

… why won’t you even back your own cuts?
The answer from the Leader of the Opposition:
Chris, we're the Labor Party.
Enough said.

Australian Human Rights Commission

Mr DREYFUS (Isaacs—Deputy Manager of Opposition Business) (14:55): My question is to the Minister for Foreign Affairs, the Minister representing the Attorney-General. I refer to evidence at Senate estimates today from the Secretary of the Attorney-General's Department that he was specifically authorised by the Attorney-General to offer the President of the Australian Human Rights Commission a senior international legal role. What was this role? What consultation occurred with other senior members of the government? Was this role offered with the authority of the Prime Minister?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:55): It is a matter of public record that the Attorney-General has deep concerns about the directions and the priorities of the Human Rights Commission on Professor Triggs's watch. As to specific details of what somebody said to somebody else at sometime in the past, I can only take advice and come back to the House if that be the answer.

WestConnex

Mr LAUNDY (Reid) (14:56): My question is to the Deputy Prime Minister and Minister for Infrastructure and Regional Development. Will the Deputy Prime Minister update the House on the benefits of the WestConnex project to my constituents and update the House on the government's progress towards its completion?

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:56): I thank the honourable member for his question. Yesterday, Infrastructure Australia released its assessment on the WestConnex project. It was a very positive report, reflecting on the significance of this project for Sydney, a transformational project for Sydney's traffic, a project that will employ thousands of New South Welshmen and thousands of Sydneysiders, and deliver a much smoother path for the city's traffic. Infrastructure Australia has recognised that WestConnex is a priority project for New South Wales and that certainly supports the view of Sydney motorists, the NRMA and the Property Council, and really everyone who passes through those areas. It is surprising that there are people on the other side of the House who are so short-sighted that they want to tamper with or reduce the scale of this project, or in fact put in places high jumps, so that it will never, ever actually happen.

This is an enormous project that will make a huge difference to the people of the member for Reid's electorate. It will enable traffic to avoid 52 sets of traffic lights, cut the travel time between Parramatta and Sydney airport by 40 minutes and, importantly for the people who
live in the member for Reid's electorate, remove 3,000 trucks a day from Parramatta Road. It is also expected to halve the commuter time between the inner west of the city and the city for those travelling by bus.

WestConnex is going to create tens of thousands of jobs. It will provide a major boost to the economy of Sydney. It will be one of those projects that will transform the city and ensure that traffic is able to move seamlessly in a way that previously has not been possible. It is the kind of project that the Abbott government are matching in other cities, as we seek to find a transport network that will meet the needs of a growing economy and a growing nation. This is more good news from the coalition government. It is a project of great significance for our largest city and a project that gets underway with this government, because we are backing projects that matter to our country.

**Australia Day Honours**

**Mr SHORTEN** (Maribyrnong—Leader of the Opposition) (14:59): My question is to the Prime Minister. Yesterday in question time, the Prime Minister said he was not obligated to consult his cabinet colleagues on his captain's pick to knight Prince Philip. While the Prime Minister believes that he was not obligated to tell his parliamentary colleagues, why did he not trust his followers enough to tell them about his decision for two whole months? Was it because he was worried about the stream of leaks coming from his government?

**The SPEAKER:** The first part of the question can stand. Just ignore the last part of the question. The Prime Minister has the call.

**Mr ABBOTT** (Warringah—Prime Minister) (15:00): Awards in the Order of Australia have never been subject to cabinet—never, ever. They were not subject to cabinet under Labor governments, they were not subject to cabinet under coalition governments. They have never been subject to cabinet. As a matter of fact, the Hawke government gave an AC—a companionship in the Order of Australia—to Prince Philip. Prince Philip got a companionship in the Order of Australia under a Labor government. Presumably, under the doctrine of the Leader of the Opposition that would have been discussed at cabinet and cabinet would have said, 'Yes, let's give it to Prince Philip.' I want to make it absolutely, crystal clear—

*Mr Fitzgibbon interjecting*

**The SPEAKER:** The member for Hunter is on short time.

**Mr ABBOTT:** I just want to make it crystal clear that normal procedures were followed and, as I have said time and time again, all awards in the Order of Australia will be the decision of the Council for the Order of Australia.

**Education**

**Mr HUTCHINSON** (Lyons) (15:01): My question is to the Minister for Education and Training. Would the minister explain how Early Learning Languages Australia funding is assisting students across Australia and, in particular, students at Evandale Primary School in my electorate of Lyons?

**Mr PYNE** (Sturt—Leader of the House and Minister for Education and Training) (15:01): I am very pleased to be able to confirm for the member for Lyons that the government is keeping its 2013 commitment in foreign languages so that 40 per cent of students by 2024 will leave school proficient in a foreign language. One of the ways we are doing that—I can
very confidently say, in more good news from the Abbott government—is through the Early Learning Languages Australia program, a $10 million program. In more good news from the Abbott government, we are extending Early Learning Languages Australia as a pilot to 40 schools around Australia, and one of them is Evandale Primary School in the member for Lyons’ electorate where he visited very recently. We are introducing Early Learning Languages Australia study at 12 schools in New South Wales, nine in Victoria, eight in Queensland, five in WA, three in South Australia and one each in the Northern Territory, Tasmania and the ACT, which students will be able to follow throughout their schooling to the end of year 12 if they choose to do so, so that they will leave school with a foreign language.

Australia has about 15 per cent of its population proficient in a foreign language. We believe, and I am sure many other members of the House would agree, that 40 per cent is a much better target. But this is only one way in which we are promoting foreign languages in Australia. We are doing it through Early Learning Languages Australia in Arabic, French, Indonesian, Japanese and Mandarin. But we are, through the government’s response to the Teacher, Education Ministerial Advisory Group, going to require all students at a tertiary institution who are studying teaching in primary school to leave with a specialty in language, science or maths—which will create the language teachers we need to actually deliver on this promise.

We are uncapping diplomas as part of the Higher Education and Research Reform Bill so that the diplomas in foreign languages will be available to anyone in Australia who wants to do a diploma in a foreign language. Through the New Colombo Plan that I share with the Minister for Foreign Affairs, we are expanding by thousands and thousands the number of Australians who will get to study overseas, thereby learning a foreign language. And we have established 11 languages in the national curriculum so that the study of those languages across Australia will be done in a consistent way in schools, and there will be five more coming down the line soon. There will be 16 languages in the national curriculum, covering most of the languages that are studied at school.

We are deeply committed to this election commitment. We are delivering on it. Every day the Abbott government can announce more good news for the Australian public because they know that we are getting on with the job while Labor continues in the cesspit of politics.

National Security

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (15:05): My question is to the Minister for Foreign Affairs. On 3 March 2012 the minister said, ‘There has really been no justification for the benefit that will accrue to Australia by pursuing a Security Council seat.’ Given that the foreign minister has travelled to New York to attend the Security Council eight times, and given that the Security Council has been critical to dealing with the MH17 disaster, Ebola and combating IS, does the minister still think that winning a UN Security Council seat was of no benefit to Australia?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (15:05): I thank the Deputy Leader of the Opposition for her question. At the time, in 2012, we were concerned that the Labor government had so skewed our foreign policy priorities and resources—and, indeed, our aid budget—in pursuit of a seat on the Security Council that we raised our concerns. But in advance of the 2013 election we made it quite clear that should the Abbott government win
the election we would serve with distinction on the UN Security Council, and I pay tribute to the Labor government for pursuing it at the time. It is not something we were advised was appropriate. In was in fact against the advice of the Department of Foreign Affairs and Trade, and we received the same advice from the Department of Foreign Affairs and Trade as the Labor government did. The then Labor government went against departmental advice, and we said at the time of the 2013 election that we would pay tribute to the Labor government for achieving the seat on the Security Council and, should we win, we would serve with distinction, and we did.

We used our opportunity on the Security Council to pursue international support for an investigation into the downing of Malaysian Airlines flight MH17, and we used the opportunity with our seat on the Security Council to ensure that we had international support to access what was, in fact, a war zone, to bring back the remains of the Australians who were killed on board MH17. We also continued the Labor government's focus on the humanitarian crisis in Syria, and we led the debate in relation to foreign terrorist fighters. We also led debates on policing in the number of peacekeeping operations that are occurring around the world. We also used the opportunity on the Security Council to push for other issues that were of concern to us, indeed a focus on our region.

We said that, should we inherit the seat on the Security Council, we would pursue it with the appropriate resourcing, with the appropriate personnel and with the appropriate priorities. But I say again that I hope that countries do not have to skew their aid budget, do not have to skew their foreign policies, do not have to skew long-held positions, in order to win a seat on the Security Council. It is a view shared by many other countries that this whole process of winning a seat on the Security Council should be because of our principles, not because we are prepared to compromise our principles.

Social Services

Mr RANDALL (Canning) (15:08): My question is addressed to the Minister for Social Services. Will the minister update the House on the progress of the government's savings measures in social services? What alternatives have been proposed?

Mr MORRISON (Cook—Minister for Social Services) (15:08): I thank the member for Canning for his question. He will be pleased to know that, in the budget, the government has been successful in getting the real growth in expenditure down from over 3½ per cent to just one per cent. That is an important thing that has to be achieved for the future of other generations in this country, who should not be saddled with a terrible debt. As part of the measures that were put forward, there were a series of savings in the Social Services portfolio. I note that they included $5 billion in savings for adjustments to the family tax benefit, and they included changes that went to the maintaining of existing thresholds and payment rates and adjusting end-of-year supplements.

Ms Macklin interjecting—

The SPEAKER: The member for Jagajaga will desist.

Mr MORRISON: It is true that those opposite have opposed those measures. They have opposed $5 billion worth in those types of measures alone. But, when I go to what they did in government, I read something very different, because in government Labor put through more than $15 billion worth of savings on family tax benefits. What were they in? There was $7
billion in pausing indexation of thresholds and supplements in 2008-09. The member for Lilley will remember that. There was $7 billion worth of savings that came from that. In 2009-10 there was $6 billion worth of savings in indexing the family tax benefit to CPI—something that is considered by those opposite to now be unconscionable. And there was $2½ billion in the 2013-14 budget to cancel payment increases that were going forward. So they opposed $5 billion worth of family tax benefit savings that this government was trying to do to put the budget back on an even keel, but they put through $15 billion when they were in government. And do you know how they were able to do that, Madam Speaker? Because they had an opposition who were prepared to understand the fiscal challenges that the country faced. Now we do not have that in those opposite.

I am asked what the alternatives are that have been put forward. The truth is, from those opposite when it comes to alternative savings, there has been zero—absolutely zero. The Leader of the Opposition has said that this is 'the year of ideas'. There is not a light bulb going off in the head of anyone opposite when it comes to ideas on how to solve the budget. The Leader of the Opposition thinks the year of the idea is about going out to buy flat-pack Swedish furniture somewhere. It is not Ikea; it is ideas! That is what we need. What we know is that the Leader of the Opposition's policy is about unfunded empathy. He runs around the country empathising with every problem. He comes up with not one solution and not one dollar to pay for it. There is not a light bulb over your head, Leader of the Opposition. You have not had an idea in a long time.

Mr Abbott: After that outstanding answer, I ask that further questions be placed on the Notice Paper.

COMMITTEES
Selection Committee
Membership

The SPEAKER (15:12): I have received advice from the Chief Government Whip that he has nominated Mr Nikolic to be a member of the Selection Committee.

Mr PYNE (Sturt—Leader of the House and Minister for Education and Training) (15:12): by leave—I move:

That Mr Nikolic be appointed a member of the Selection Committee.

Question agreed to.

PERSONAL EXPLANATIONS

Mr JOYCE (New England—Minister for Agriculture) (15:12): Madam Speaker, I wish to make a personal statement.

The SPEAKER: Does the minister claim to have been misrepresented?

Mr JOYCE: I do, most grievously.

The SPEAKER: Then indulgence is granted.

Mr JOYCE: Yesterday the member for Hunter put out a press release saying:

Barnaby Joyce changed the record of an answer he provided on 20 October 2014 on the implementation of his drought package.
This is incorrect, and I ask the member for Hunter to retract it. I have stated quite clearly I had no knowledge of the change and, once it did become known to me, I asked for it to be changed back. He is also looking for a smoking gun, apparently. He is digging around, so he has asked the department for an email between a Mr Craig Croker and a Mr Andrew Henderson. He has asked for it to be tabled, as a smoking gun. I table it. Why this is unusual is that—

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

The SPEAKER: The Minister for Agriculture is not entitled to debate the matter.

Mr JOYCE: merely yesterday—

The SPEAKER: The minister will resume his seat. A point of personal explanation is granted on indulgence so that you can show where the record has need of being corrected, not to debate the question. If he has a second matter he wishes to raise, he must seek indulgence again.

Mr JOYCE: I do. I think further explanation is required on this issue. Madam Speaker, clearly—

The SPEAKER: No. I am sorry, the Minister for Agriculture may not debate this point. There are other areas where you may do these things.

Mr JOYCE: I ask the member for Hunter now to retract his statement.

The SPEAKER: The point of a personal explanation is to explain where you believe the record needs correcting. You have done that.

Mr Husic: That was a great session of red faces!

Opposition members interjecting—

The SPEAKER: There are those who are laughing about dealing with this particular area of standing orders, and many do not do it terribly well themselves. I would not be casting aspersions.

MATTERS OF PUBLIC IMPORTANCE

Workplace Relations

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

The Government’s attack on the wages and conditions of working Australians.

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

The SPEAKER: I call the honourable member for Gorton, who is fortunate not to have been asked to leave under 94(a).

Mr BRENDAN O’CONNOR (Gorton) (15:15): Thank you, very much, Madam Speaker! I will start my contribution this afternoon by referring to statements made by the Minister for Employment, who in today’s papers has given an indication that the government will no longer be proceeding with changes to the minimum pay rate and to penalty rates.
There is no logical reason why any reasonable person would believe undertakings by either the Minister for Employment or the Prime Minister when it comes to industrial relations. It is clear from the actions of this government that they say one thing before an election and do something entirely different after the election. We saw that writ large in the announcement of the budget last May by the Treasurer, when we saw a budget replete with a litany of lies by this government. As dishonest as it was unfair, it was a budget that looked to cut health, cut education, cut the ABC’s funds and cut SBS. Those cuts were seen against the backdrop of a Prime Minister who before the election had made it clear that there would be no cuts in those areas of public policy.

We should have seen early on—indeed, we did see early on—that this government is indifferent to employment, to Australian workers and to our businesses and industries in the labour market. As early in the life of this government as December 2013 we saw the Treasurer of this nation stand at the dispatch box and goad Holden to leave our shores; and Holden left. We have now seen the death of the car industry in this country. Car makers are leaving this nation, aided and abetted by a government that is hostile—indifferent at best—to that industry and the workers who need to be gainfully employed in that industry. That was clearly the beginning of the government’s turning its back on Australian workers, on Australian businesses and on the needs and aspirations of working people in this nation.

Of course, that was not the only time we have seen the government turn its back like that. Prior to the election the former Minister for Defence gave an undertaking that submarines would be built in South Australia. There were no corrections made at the time by the Prime Minister. There were no corrections made by the former defence minister—we know why he is no longer the defence minister. That undertaking was made prior to the election. Instead, we have seen the Prime Minister engage in private with the Prime Minister of Japan to do a deal that fundamentally contradicted the undertaking given by the government before the election. What does that mean for employment in South Australia? Unemployment in South Australia is rising and rising, and the government shows a callous disregard for those workers and for that industry.

It does not stop there. We know that the government cannot help itself. It wants to change fundamentally the landscape of industrial relations in this country. There is no other reason why you would refer to the Productivity Commission a review with terms of reference as wide and deep as the review currently being undertaken by the Productivity Commission. This review goes to penalty rates, to the spread of hours, to the minimum pay rate—to every condition of employment that governs Australian workers, over 11 million workers, who would be subject to changes arising out of the recommendations of Productivity Commission’s review, which will be embraced by the government. Never mind the undertakings given by the Minister for Employment or indeed the Prime Minister: when it comes to industrial relations this mob return to Work Choices like a dog returns to its vomit. That is the reality. The government’s DNA is such that it cannot do anything but return to an industrial relations system that will see employers holding the whip handle and workers being vulnerable and exposed.

If we were to believe the undertakings given by the Minister for Employment we would see the withdrawal of the Fair Work Amendment Bill. The Fair Work Amendment Bill currently before the parliament refers to provisions that would allow for the trading of penalty rates for
so-called non-monetary benefits. If the minister, the Prime Minister and the government are genuine in their concern for exposing vulnerable workers to losing penalty rates they would withdraw the bill. We would also see the Productivity Commission review withdrawn or its terms of reference written in such a way as not to alarm Australian workers, unlike the scope of the current review. We will not hold our breath waiting for those things to happen, because with this government it is not their words you have to listen to it is their deeds you have to witness before you can believe them on industrial relations.

It is not just in the area of policy that the government cannot be believed it is also in the way the government operates as an employer. Let us look at their record on employment and the decisions they have made recently in so far as they affect public sector workers in this country. First we saw the government provide an offer to the Australian Defence Force—an offer that in reality was a pay cut for ADF personnel. If anyone believes that ADF personnel, who place their lives in danger in defence of this nation, should be given an offer by this government that cuts their wages in real terms then I would like to hear them defend it, because in reality that is the offer on the table from this government to the ADF—and it should be withdrawn immediately. It should be withdrawn forthwith because it is an insult to the men and women in uniform who put themselves in harm's way to defend this nation. But this is not just about the government's offers to the ADF. We have seen the offers to front-line staff in Centrelink and Medicare whereby staff are effectively being asked to accept a cut in real terms to their pay packet. This is not acceptable behaviour. However, it really does shine a light on exactly the way in which this government believes employers should operate: offer pay cuts to workers and cut the number of workers in every workplace. This is, of course, what the government is seeking to do.

If this government and, indeed, if this Prime Minister were genuine about the concerns that we and others have about their intentions, they would revise their offers to the Public Service, provide reasonable offers and engage genuinely with them in order to resolve the outstanding matters between the workforce, the unions and the government. But we will not hold our breath when it comes to that, because, as I say, it is in this government's DNA to attack workers, whether they are in the public or private sector. There are six pieces of legislation in the parliament still waiting for support. Indeed, those six pieces of legislation in myriad ways go to impacting upon working people in this country. Again, we would like to see the withdrawal of those pieces of legislation if the government expects us to believe that it is fair dinkum.

The other thing we should touch upon in relation to this issue is jobs. We listened to the Treasurer today in question time talking about the rate of growth, but the reality is this: the unemployment rate in this country is at its highest for 12 years. In fact, the last time the unemployment rate in this country was 6.4 per cent was when the Prime Minister was the minister for employment. It has been 12 years since it has been that high. Another concerning figure is that since the election 100,000 extra people have joined the unemployment queues in this country. It has gone from 695,000 to 795,000 Australians lining up in unemployment queues, looking for work, since the election. This is not a government that is focused on jobs. This is not a government that has a jobs plan to create employment for Australians in this country. Indeed, this is a government that has, as I say, a disregard for business, a disregard for Australian workers and a lack of a jobs plan for those many, many Australians without
work. What we would like to see, if the government could actually focus on Australians' jobs and the Prime Minister could stop thinking about his own, is improvements to the employment market and opportunities for all Australians to find work.

Mr HARTSUYKER (Cowper—Deputy Leader of the House and Assistant Minister for Employment) (15:25): I welcome the opportunity to speak on this matter of public importance. It is clear to those on this side of the House that nothing improves the prospects of Australians more effectively than building a strong economy. Nothing creates jobs faster than a strong economy. Nothing improves wages growth more than a strong economy. Nothing provides more opportunity for workers, young and old, to move from welfare to work than a strong economy. But the problem is that members opposite are living in complete denial. They are in denial of what they did to the Australian economy when they were in government. They are in denial of what they continue to do to the Australian economy from the benches of opposition.

When they were in government they built a debt mountain, and they are continuing to work on their very own debt mountain from the opposition treasury bench. At every turn they obstruct the government's efforts to bring the budget back into surplus. At every turn they obstruct the government's efforts to build a strong and secure Australia for the future. They obstruct us, yet they feign concern for workers. They are not concerned for the workers of Australia; they are concerned only for political expediency. The coalition is working to build a strong and prosperous economy. The coalition is working to fix Labor's debt and deficit disaster—and we are doing that not with the assistance of members opposite but despite them.

We have our economic strategy to create jobs and build a strong economy. More than 200,000 jobs were created last year at a rate of nearly 600 jobs a day. I will repeat that: we have created jobs at the rate of 600 a day. That is a new job every 2½ minutes. In 2014 jobs growth was triple the rate seen in 2013 under Labor. Job advertisement levels are at their highest levels in over two years, with yearly growth in job advertisements at a 3½ year high. Consumer confidence, according to the ANZ, sits above long-term average levels. Labor's legacy is one of 200,000 more people who are unemployed, gross debt projected to rise to $667 billion, $123 billion in cumulative deficits and 50,000 illegal arrivals by boat. That is their legacy.

When Labor's $9 billion carbon tax hit business, it made it more difficult for business to employ. It pushed up business costs. It made our businesses less competitive. We have removed that tax. We are about removing Labor's mess. We are about cleaning up their mess—their budget mess and their policy mess. We will continue to create more jobs. We will continue to ease the pressure on families. We will continue to build the roads of the 21st century. And we will continue to work to get the settings right to allow businesses to employ more Australians.

We had a situation where we were faced with billions upon billions of dollars of environmental approvals being held up by those opposite. This government has removed the roadblock that was put in place by the previous government.

We have seen Labor's policy inaction in government. You need look no further for their job creation prowess than the new government of Victoria, investing $1 billion, or wasting $1
billion, in not building a road that would have created 7,000 new jobs. You have to hand it to Labor—spending $1 billion to not build a road, to not create 7,000 jobs.

Mr McCormack: Anti progress.

Mr HARTSUUYKER: Anti progress, anti job opportunities for Australians.

On this side of the House, we are about creating export opportunities through free trade agreements. After years and years of failure to deliver by members opposite, this government, within a very short period of time, concluded free trade agreements with China, South Korea and Japan. The free trade agreement with Korea removes a 300 per cent tariff on the import of Australian potatoes into that country. Some have predicted our agricultural exports to Korea will increase by around 7.3 per cent. That means more jobs for more Australians. Another example of our action on FTAs is the agreement with China, which removes tariffs on importing Australian dairy products. Australia's beef and sheep farmers will benefit from the abolition of tariffs ranging from 12 to 25 per cent; and all tariffs on Australian horticulture will be eliminated. Again, this means more jobs for more Australians. And we are working on a free trade agreement with India. Not content with the three free trade agreements already concluded, we are working on a free trade agreement with India which will unlock massive market potential for Australian exporters of goods and services and will create, again, thousands upon thousands of jobs.

We will be releasing a families package in the coming months to keep parents' costs down and put more money in their pockets. At the heart of our efforts to create more jobs is our small business strategy. On 1 July, we will be reducing the tax rate for small companies by 1½ per cent. Big business will pay no more. We are taking steps to lay this foundation for a stronger and more prosperous Australia, despite the efforts of members opposite to frustrate us at every turn.

This MPI is just another example of Labor's scaremongering. There is no plan to change the situation with regards to the minimum wage or penalty rates. The rates are determined by the independent umpire, the Fair Work Commission. In line with our election commitments, the government have commissioned the Productivity Commission to undertake a review of the workplace relations framework. The terms of reference for the review seek recommendations for improvements that balance the need for workers to be protected and for businesses to thrive. All interested parties are encouraged to make a contribution to the review. Labor's scaremongering on this issue shows just how morally bankrupt they are.

When we came to government, we inherited an employment services system that was mired in red tape and not meeting the needs of job seekers or the needs of employers. I am pleased to advise the House that, from 1 July, there will be a new system, which will more efficiently and more effectively help job seekers move from welfare into work. Our new system will be based and focused on results, and the result we want to see is more Australians in work: more young Australians in work, more older Australians in work, more Indigenous job seekers finding work. We want opportunity for all Australians because we on this side of the House know that there is huge benefit in a job—not just a financial benefit but the benefit of a better quality of life and a sense of contributing to the community.

Our new employment system will replace Labor's system, which was wasting hundreds of millions of dollars on training for training's sake and was not delivering job outcomes. Our
system is focused on paying employment providers to deliver the result we want, which is more Australians in work. The more Australians we have in work, the fewer Australians we have on benefits, the stronger our economy will be. Members opposite feign concern for the workers of Australia, but all they do is obstruct us in our efforts to create jobs, to create opportunities and to create a better employment services system that will better meet the needs of job seekers.

We have a new work-for-the-dole program starting on 1 July. Phase 1 has been very successful. Rolled out in 18 locations around the country, it is offering young people the opportunity to learn new skills that will put them on the path to a job. Many employers are telling me as I go around the country that, regrettably, young people are presenting at the gates of their business without the necessary skills to get by in the workplace. Well, work for the dole has the potential to give young people those skills and the opportunity of a job. Phase 1 of our work for the dole goes national on 1 July. With the implementation of the new employment services system, we will see work for the dole offered right around the country to workers under the age of 30 for 25 hours a week and to older workers up to the age of 50 for 15 hours a week. It will allow these people to contribute to their community, learn new skills and be better placed to get into work.

We are about better terms and conditions for Australian workers through growing a strong economy. Those opposite are about scaremongering. They are about holding the Australian economy back and, in doing so, holding the Australian people back. The best way to deliver higher wages for all Australians and a better standard of living for all Australians is to build a strong economy. It is a shame members opposite have not woken up to that.

Ms BUTLER (Griffith) (15:35): The only ones scaring Australian workers are this Prime Minister, this government and this Minister for Employment. When the Minister for Employment said that penalty rates would stay, regardless of the Productivity Commission review, it demonstrated again to me how much the government and their ministers do not understand the bills they have before the parliament. If the government were serious about backing down on cuts to penalty rates, they would withdraw their amendments to the Fair Work Act. The individual flexibility agreements in the bills that are sitting before the Senate do one thing: they make people trade away their penalty rates; they make people give up their penalty rates in order to keep their jobs. And we know that this is what they do, because of the way in which workers have spoken out about their concerns over the six pieces of legislation that attack working people that are sitting before the Senate as we speak. You cannot trust this government when it comes to industrial relations. Working people do not trust this government. That is why they are speaking out in such opposition to this government's plans for industrial relations.

You have to hand it to this minister for creativity. He tries to bring in cuts to penalty rates by amending the Fair Work Act. We caught him out and working people spoke up. Then he announces a Productivity Commission review that is so broad that it goes to the effort of making specific reference to penalty rates. Then today we have seen another backdown, or backflip, from this minister. What is next? Is he going to try to introduce legislation to cut the minimum wage and cut penalty rates? You just cannot trust this government when it comes to industrial relations. Take the Prime Minister's contradictions on this very particular issue. He was declaring that Work Choices was dead, buried and cremated in 2010, on the eve of an
Tuesday, 24 February 2015

HOUSE OF REPRESENTATIVES

1115

election, and then in a radio interview only a few weekends ago he was talking about penalty rates. He said:

If you don't want to work on a weekend, fair enough, don't work on a weekend, but if you do want to work on a weekend and lots of people, particularly young people, particularly students, would love to work on the weekend, you want to see the employers open to provide jobs ... there are lots of places that are now closed that used to be open.

I don't begrudge people the money ... but in the end there's a balance ...

So he is saying there needs to be a balance struck between people who want to work on weekends and people who do not want to work on weekends. All that says is that, if you work on the weekend, be prepared not to get paid penalty rates. They are the words of the Prime Minister—a longwinded attack saying, 'Fine, work on the weekends but you won't get penalty rates.' Just how much are these penalty rates worth? This is what members of the backbench of the government do not understand.

In hospitality, the very industry where the Prime Minister is saying fine, don't work on the weekend, penalty rates are worth $235 per week. That is a third of their wage. I would like to see the entire government, every MP, give up a third of their wage. If they want workers to give up a third of their wage, then they should be prepared to give up a third of their wage. Do they work on weekends? Do they work long hours? They get paid extra. If they want these workers to give up a third of their wages, they should be prepared to do the same.

This is the contradiction of this government. They are saying right here, right now, that they want to cut penalty rates. They are all trying to interject, supporting the Prime Minister's comments that penalty rates should be cut. But we know that is unpopular, and we know it is unpopular because the polls prove it. Essential Media suggests that a large majority of voters do not buy the argument being put forward by the Prime Minister and the government. Only 18 per cent of voters believe that lower weekend penalty rates would mean that businesses would employ more workers. It is an absolute furphy. All this government wishes to do is attack working people—they are not interested in creating jobs and they are not interested in protecting some of our lowest paid workers.

Mr PASIN (Barker) (15:41): Oh, how much I enjoyed the dulcet tones of the member for Bendigo. It is almost worth travelling all the way to Canberra from Mount Gambier simply to hear her. This place can be a bit depressing. I thought I was coming to a place where we would engage in battles of big ideas with intellectual giants. Instead of that, we have another day, another matter of public importance and another scare campaign. There is a surprise! If gold medals were given out for running scare campaigns, those opposite would be atop the dais. Even the member for Shortland would get a gold medal. I cannot say that that would happen in every category.

I could go through at length what is happening—and of course we all know that there is a Productivity Commission review being undertaken, consistent with the commitment we took to the election. I thought I would spend the few minutes I have talking about some comments that have been made by some members opposite—one of whom is still in the chamber. I am sure he will enjoy this. Before I get to the member for Gorton—and I will get to him—I want to talk about Dr Andrew Leigh, the shadow Assistant Treasurer. We have all seen Clockwork Orange, or at least I have, and we all know that he has been on a Clockwork Orange-style re-education program. To be honest, I reckon Labor should get their money back because the re-
education campaign did not quite work. On 24 January this year—not two years ago and not five years ago, not when he was penning his most recent book—he was asked by Linda Mottram on the ABC:

Nonetheless, the Productivity Commission review is going ahead and the sacred cows are all on the list: penalty rates, minimum wages, unfair dismissal laws. Is there any room for restructuring any of those things in the dynamic economic environment that you're describing?

Andrew Leigh answered:

Linda, I'm always up for an evidence-based discussion.

So there we have the shadow Assistant Treasurer talking about an evidence based discussion, not ruling out penalty rate changes like the Prime Minister has.

I want to move to the shadow employment minister. This is the person who has the temerity to come in here and submit a matter of public importance about the government's attack on the wages and conditions of working Australians. Do you know what he has had to say? On 24 January—I wonder whether the member for Gorton remembers this—he made some comments. I would not call him a hypocrite—I would not do it—but this is what he said:

There are particular provisions in each award or agreement that I think should be reviewed and I'm not suggesting for a moment that there aren't provisions including penalty rates that shouldn't be looked at.

This is the man who has the temerity to come into this place and raise a matter of public importance.

Mr Brendan O'Connor: You're a fool!

Mr PASIN: I am a fraud.

Mr Brendan O'Connor: Fool!

Mr PASIN: Oh—I am a fool! That might be unparliamentary. But what I did not do is come into this place and say 'Oh, this is a matter of public importance; we need to discuss this in detail.' Look, I do not blame him; what he has forgotten—what he has conveniently forgotten—is that there is a review being undertaken, right now, of penalty rates. It is not the Productivity Commission's review; that is a review that is happening quite separately. The review that is being conducted is being conducted by the Fair Work Commission.

A government member: Who set that up?

Mr PASIN: I wonder: who initiated it? It was the then minister and now Leader of the Opposition—the guy who comes in here and tries to lecture us about the direction in which the country needs to head. It was Bill Shorten, ladies and gentlemen. The thing the member for Gorton forgets is that—unlike the Productivity Commission review which can only make recommendations; it is a report to government, not a report of government—if the Fair Work Commission changes the rules, that has the effect of law. So what we have here are A-grade hypocrites coming into this place, trying to scare the workers of Australia. What we are doing is getting on with the business of making a strong and secure economy to secure their conditions of employment. (Time expired)

Ms HALL (Shortland—Opposition Whip) (15:46): I have to say that was one of the most interesting, irrelevant contributions to a matter of public importance I have ever heard.

An opposition member: I'm sorry you didn't follow it, Jill!
Ms HALL: I notice that, before I even commence my contribution to this debate, the sensitive members on the other side of the House are interjecting. What I say is: the more they protest, the more they know they have been caught out.

The one thing every Australian knows is that you cannot trust the Liberal and National parties when it comes to protecting the wages and conditions of Australians. This is an antiworker government—a government that is planning to attack Australian workers and their conditions. By attacking Australian workers and their conditions they are attacking Australian families and their standard of living; they are really attacking the whole of our Australian economy. Our economy depends on Australian workers getting a decent income. If they do not get a decent income then, as a nation, our economy will flounder.

Before the election this government said they would make no substantial cuts to wages and conditions—no cuts to wages and no cuts to conditions—just as they said they would make no cuts to health, no cuts to education and no cuts to the ABC. We can all see just how false that commitment was, with cuts to health and this government on a vendetta to undermine Medicare. This government is on a vendetta to destroy our health system. This government constantly attacks education and the Gonski reforms. What they are doing to universities is an absolute disgrace.

Opposition members interjecting—

Ms HALL: Members on the other side of this House may think it is funny. They may not take it seriously, but I can tell them: out in each and every one of their electorates, the people who vote for them know that they are being treated with contempt. Each and every day I hear from constituents saying, 'This is a bad government. This is a government you cannot trust.' You cannot trust them one iota when it comes to wages and conditions. Not only are they attacking wages and conditions—jobs are disappearing. They are disappearing faster than new jobs are being created. Unemployment has skyrocketed under the Abbott Liberal-National government.

Opposition members interjecting—

Ms HALL: I notice there are members on the other side who find this quite funny. There are 100,000 more people unemployed now than when this government came to power. The unemployment rate is 6.4 per cent—quite a significant increase. That is the highest rate since 2006. It is the highest number of people who have been out of work since 12 years ago when the Prime Minister was the minister for employment.

The writing has on the wall. He has the runs on the board. Everyone knows he has failed in that area. In the electorate I represent—in the Hunter on the Central Coast—unemployment rates are very high. I notice the member for Dobell sitting opposite and I am sure she is very concerned, as am I, about the high level of unemployment on the Central Coast. On the Central Coast the unemployment rate for youth is 16.8 per cent, which is phenomenal. They are young people who do not have jobs.

Instead of attacking peoples’ working conditions and wages, what we need to do is make a commitment to see that each and every worker receives the pay they deserve for putting in a fair day’s work. This government has been trading away penalty rates for non-monetary benefits. There is a loss of entitlements if the company goes into liquidation through no fault
of the employee. This government has attacked workers in each and every corner and it will continue to do so. *(Time expired)*

**Mrs MARKUS** (Macquarie) (15:51): The coalition government is absolutely committed to building a strong and prosperous economy for all Australians. We have an economic action strategy to grow the Australian economy and to fix the Labor debt and deficit disaster.

Today I have not heard a plan from the other side. Members opposite have failed to describe what they would do to strengthen our economy and create an environment where business can create more jobs. The shadow minister for employment today has made false and misleading statements. Firstly, the shadow minister for employment needs to check his facts. He claimed this morning that 1.5 million Australians rely on the minimum wage. In 2012, nationwide, 211,900 employees were paid the national minimum wage, not the 1.5 million claimed by Labor.

Secondly, the shadow minister for employment needs to brush up on the history of his own party’s policies. As was pointed out earlier by members on this side, in 2012 the current Leader of the Opposition, Mr Shorten, reviewed the fair work laws. The member for Gorton failed to mention that it was Mr Shorten, following the review of the fair work laws, who made recommendations to reduce the number of public holidays on which penalty rates could be paid. In fact, Mr Shorten initiated the Fair Work Commission’s current review of penalty rates. This current review actually has the power to reduce and/or abolish penalty rates.

In the 2013 election the coalition government committed to engaging the Productivity Commission on a review of the workplace relations framework. The terms of reference for this review seek to identify how to balance the protections for workers with ensuring that businesses are able to grow, prosper and employ more workers. Members opposite are fully aware that the Productivity Commission has no power to make changes to either the minimum wage or penalty rates, unlike the Fair Work Commission review requested by the Leader of the Opposition.

The Minister for Employment has made it very clear that, if recommendations are made by the Productivity Commission in regard to minimum wages or penalty rates, the government will not move on them. It is not the place of this government to abolish or change penalty rates; it is the responsibility of the Fair Work Commission, an independent umpire, to determine the minimum wage and penalty rates.

The Abbott government is getting on with the job of building a strong and prosperous economy. That is the foundation for job growth. The best way to create jobs is to build a strong and prosperous economy that promotes workforce participation, productivity and job creation. Last year 213,900 jobs were created. That is one new job every 2½ minutes. During Labor’s time in office unemployment went from 4.4 per cent in November 2007 to 5.7 per cent in September 2013 and the jobless queue grew to 200,000. Today job advertisement levels are at their highest in over two years, with a yearly growth of job advertisements at a 3½-year high.

Under Labor, 129,000 manufacturing jobs disappeared completely—that is, over one in every 10. This year 223,013 new companies were registered in Australia—21,000 more than the previous year, an increase of 10.2 per cent. This is a record number since Australian Securities and Investments Commission records began in 1999.
Under Labor we lost 412,000 jobs in small business. The coalition government recognises that small business is the engine room for growth and jobs in Australia. Small businesses represent more than 97 per cent of all Australian businesses and employ two out of five individuals in the workforce. There are around two million actively trading small businesses in Australia. Last year alone we had the largest number of start-up businesses in Australian history. The coalition government has a plan to build a strong and prosperous Australia. The Labor Party and members who have spoken today have demonstrated that they have no plan.

Mr HAYES (Fowler—Chief Opposition Whip) (15:56): I am happy to participate in this MPI debate, but jeez, I tell you what, sitting over here it is like being lectured to by those who are holier than thou. We have actually heard a few of these things before. As a matter of fact those of us who have been in the parliament will think they have almost plagiarised some of the speeches made in the Work Choices debate. This is coming from the same people who said, 'We promise that there will be no cuts to health, no cuts to education, no cuts to pensions and no cuts to the ABC and SBS.' They also promised to build 12 submarines. Where? In Adelaide. They came before us and said: 'We said all those things but things have changed here. We have to make some change.' They came back to this place and said, 'In terms of health and education, we are taking $80 billion out of the budget.' They did not mention the GP tax before the election, but they thought they would put that in there too. They are putting pensions on a lower indexation rate. With the subs—jeez, I tell you what—as far as we know they are doing a private deal with Prime Minister Abe in Japan. They do not want to answer questions on subs now. They will not commit to building these subs in Adelaide, which is what they said before the election they were going to do.

They come to this debate and say: 'You should trust us. We are not going to touch penalty rates. We are not going to cut conditions of workers. That is not us.' They want us to believe that they are the workers' best friend. These people have form. They are the people who introduced Work Choices. Those who were around then saw what they sought to do. They attacked people on minimum rates of pay. They made it legal for the first time in our history to pay people below award rates. You could attack penalty rates, could attack overtime and force people to sign contracts where they got paid lower than the award and they said, 'This is all about improving our economy and making us more productive'—all the things they are saying now is what they trotted out in Work Choices. And they say: 'Trust us. We are not going to do anything.'

The Minister for Employment, Senator Abetz, says that he is not going to accept the recommendations of the Productivity Commission if they are about overtime, conditions and penalty rates. This is the very same minister who wrote the terms of reference for the Productivity Commission and put those very specific things in them. So do not come along and say: 'I'm not going to accept these recommendations. I never was, but I thought I would put them in just to see what would happen.' This is not a place where you play suck it and see. This mob over there are trying to do precisely what I said they would before the last election—say one thing and do the exact opposite, but this time they are going to blame the Productivity Commission: 'It was not us; it was the Productivity Commission recommendation.' They are saying this because it is going to improve the productivity of workers, the land, the industry and all the other things they want to trot out, but one thing is constant: they will be attacking Australian workers.
I imagine quite a few of those opposite represent electorates which have living in them doctors who work in hospitals, nurses, cleaners, fireys and cops, all of whom rely on penalty rates to make up their take-home pay. I hope you have the courage to stand up and tell them what you are trying to do here, which is to pull the wool over their eyes. They will not forget Work Choices, but do it twice and they will be coming for you.

It is interesting to have these people over there lecture us on employee relations. They say they are the workers best friends! We have seen what you have done. You have got a higher education bill in the parliament at the moment to deregulate university fees so that universities can charge what they like. On the other hand, you are going to cut funds to the universities. So you are actually forcing the universities to cost-shift. If you apply the same notion to industrial relations, do you really want to trust this mob? They are the party of Work Choices. They are the ones who have brought industrial relations reform to this place—not sitting down and negotiating positive improvements in productivity benefits for industry and workers but simply kowtowing to the backers of and donors to the Liberal Party, those who are pushing for IR reform. So when they say 'trust us', don't.

Mr TAYLOR (Hume) (16:01): From listening to this debate today it seems to me that the real issue at the heart of it is: which side of the House can deliver better wages and conditions to Australians? From listening to those opposite, it is very clear that Santa Claus has arrived. Santa Claus, on the other side of the House, is telling us there is no requirement for hard work, productivity gains are not necessary, wages can be high and unemployment can be low. Well, let me give you a little lesson in economics: it doesn't work! Let's go to what every credible economist tells us is the secret to high real wages and low unemployment. It is two very simple things: higher labour productivity and limited immigration of unskilled Labor. Those are the keys; they always have been and always will be. The opposition should listen a little more to the member for Fraser because in 2003, in the *Australian Economic Review*, he showed us convincingly that that is absolutely right.

So let's look at Australia's history in this phenomenon. Australia, for over 200 years of European settlement, has had among the highest real wages in the world. Why have we had that? Because we have had limited unskilled immigration and high labour productivity. We can go back to the great debates in the 1830s and the 1840s between the squatters and the rest of the colonies. Those debates were about whether to allow unskilled immigration to this country. And guess how they came out? The squatters lost—and so they should have. We saw then high real wages sustained throughout our history and we saw extraordinary innovation. The stump-jump plough, the shearing machine and the stripper harvesting machine were all built on the back of extraordinary innovation and high labour productivity.

We should look at Labor's track record on this. They ran down the economy and they ran down productivity. An excellent speech was given midway through last year by outgoing Treasury Secretary Martin Parkinson. He said that, between 1996 and 2007, productivity rose by close to two per cent per annum. That happens to be the same time period as the Howard government. That was one of the best performances in the western world. But from the mid-2000s productivity gains collapsed to about one per cent and wages kept going up. And what do economists predict happens then? Unemployment goes up.

So let's see what actually happened. Under the Howard government we saw 13 per cent growth in youth employment. In the time of the last Labor government we saw an eight per
cent loss of jobs among the young unemployed, which is exactly what the member for Fraser predicted would happen in his paper in the *Australian Economic Review* in 2003. The participation rate dropped from 71 per cent to six per cent and youth unemployment went from nine per cent to 12.4 per cent. And you pretend to be a friend of the Australian worker! Clearly, you are not.

We have seen how productivity was under your government, but let's see how you went on unskilled immigration. We know the story: 50,000 on boats. But we also know, from a report written to your government in 2012, that there was an estimate of over 100,000 people working illegally in this country as unskilled Labor. No wonder we were not able to sustain higher real wages and low unemployment. No wonder you were not a friend of the worker in your time in government.

In contrast, we are working hard to increase the pace of innovation and employment and productivity in this country. We are opening up massive new markets to our north—and you need only look at the cattle price to see the impact that we are having there. We are getting rid of the red tape that you laid on—layer by layer by layer—in your time in government. We are driving unprecedented investment in infrastructure and we are encouraging private sector investment. And guess what the key to labour productivity is? More investment, primarily from the private sector. This government has made it clear that we are not going to abolish penalty rates. We are going to leave those decisions to the Fair Work Commission. We are the party of high real wages. We, not those opposite, are the friends of Australian workers.

Mr PALMER (Fairfax) (16:06): It is in the public interest that we have proper governance of political parties. The Prime Minister took a major step in the right direction when, in his first cabinet meeting, he declared that members of the Liberal Party executive could not act as political lobbyists at the same time as they held office. A number of the Liberal Party executive resigned as a consequence of that decision. When I was a life member of the Liberal Party the funding of the Liberal Party, its application and those who funded it were of great concern to me. I was a life member of the Liberal Party and a member of its national conference. I had been a National Party official spokesman and a member of the conservative side of politics for over 40 years.

Despite all of that, in 2011 and 2012, despite the fact that I had been one of the strongest supporters of the party and one of its largest donors, it was impossible to get a copy of the accounts of the party and a veil of secrecy hung over the application and use of party funds. At that time corporate governance was non-existent in the Liberal Party. Elected members of the national executive, holding the highest offices other than that of president of the party, complained personally to me that they were denied any access to the accounts of the party, about how money was donated to the party and how it was actually spent. There was no accountability which one would normally expect to see in a body receiving funding from the public and its members.

The DEPUTY SPEAKER (Mr Ewen Jones): Order! I remind the member of the topic for discussion, which is the government's attack on the wages and conditions of working Australians.

Mr PALMER: It is a wide-ranging topic. I believe I can discuss this.

The DEPUTY SPEAKER: You may want to start!
Mr PALMER: At that time Alan Stockdale was president of the party and refused point blank to provide details even to the vice-presidents of the Liberal Party.

Mr Tudge: I rise on a point of order. He has just ignored your ruling for him to go back to the topic of the MPI. What he has been saying clearly has nothing to do with the topic. The topic actually concerns industrial relations. That is the matter which we are debating across this chamber. That is to do with an internal Liberal Party matter that he is discussing, so I ask that he brought back to the topic of the MPI.

The DEPUTY SPEAKER: The member for Fairfax is well aware of what the topic is. I ask him to be relevant to the topic, or he can cede his position.

Mr PALMER: Certainly industrial relations and the fact that Liberal Party workers went unpaid and worked not in accordance with the act was a great disgrace for the Liberal Party at that time. That is why many of its vice-presidents did not know where the funds were. They did not know where the money was to pay—

Mr Tudge: I rise on a point of order. With due respect, the activities of the Liberal Party and what might or might not occur inside the Liberal Party have nothing to do with this matter of public importance, which concerns public policy concerning industrial relations.

The DEPUTY SPEAKER: The member for Fairfax should be aware that most of those positions are voluntary positions and therefore not subject to penalty rates of wages. I remind him again to be relevant to the topic or cede his position.

Mr PALMER: I just have to say that I did not know Brian Loughnane's position was a voluntary position! I didn't know funds from the Liberal Party would be spent on various things other than re-election of Liberal members, which I would like to tell you about here, but I will have to save it for another day and keep the suspense going!

Mrs McNAMARA (Dobell) (16:10): I see the member for Shortland is here. I don't know if that's a gold medal, Jill—more like a gold Oscar!

But it gives me great pleasure to speak to this matter of public importance, because the Australian people deserve the truth. We are delivering more jobs for the people of Australia. I will start with a couple of facts that may be of interest to members opposite and in particular the member for Gorton. Firstly, there are more Australians in work today than at any stage under your six years of government. This means more jobs in the Australian economy than at any stage under Labor's six years of government. Secondly, the wages and conditions of Australian workers are not set by the government, so clearly you missed the info session on how the Australian industrial relations system works.

The minimum wage and penalty rates are determined by the Fair Work Commission, an independent umpire. The government has made it clear in the media that, even if there are recommendations from the Productivity Commission about minimum wages or penalty rates, the government will not move on them; so, quite frankly, with each passing day I am finding it harder to take the members opposite seriously. I think all of us are finding it very hard. You are devoid of ideas and you are so steadfast in your opposition to everything that it makes you wonder where your expertise on wages and conditions of Australian workers come from. You do not have an original idea between you, so it must come from something in your past, but what could that be? Who could that be? Perhaps it comes from your ticket into federal parliament—a trade union membership? Or perhaps it comes from Labor's favourite son, and
who is that? Craig Thomson, the post boy of denial and self-indulgence whose economic philosophy focused on getting more bang for his buck—sorry, I meant the HSU members' bucks—

**The DEPUTY SPEAKER:** Order! As with the member for Fairfax, let's not stray too far from the topic here.

**Mrs McNAMARA:** I am getting to the point.

**Mr Champion:** Why don't you tell us about fundraising?

**Mrs McNAMARA:** Don't even go there! That is irrelevant.

**The DEPUTY SPEAKER:** Direct your remarks through the chair. The member for Wakefield is warned again. Come on.

**Mrs McNAMARA:** Why don't you ask Obeid while you're on the subject?

**The DEPUTY SPEAKER:** That's enough out of you too!

**Mrs McNAMARA:** The hypocrisy! To get back to the MPI: how rich is it that members opposite come in here and attack this government on wages when they sat in this parliament and defended the actions of Craig Thomson? To get back to the relevance—

**Mr Dreyfus:** Eight by Five. Is that what you're going to tell us about?

**Mrs McNAMARA:** I have nothing to tell you or anyone else. You are nothing but a hypocrite.

**The DEPUTY SPEAKER:** The member for Dobell will resume her seat. The member for Dobell will withdraw.

**Mrs McNAMARA:** I withdraw.

**Mr Dreyfus:** The member for Dobell has been now several times warned by you—

**The DEPUTY SPEAKER:** Sit down. The member for Dobell will be relevant to the topic, thank you very much—and direct your remarks through the chair.

**Mrs McNAMARA:** All right. To get back to the MPI: Australians will only have wages and conditions as long as they have a job, and let's not forget what happened to Australian jobs under Labor's watch. Two hundred thousand more Australians were unemployed, 129,000 manufacturing jobs were lost—over one in 10 disappeared completely—and, in the period that the Leader of the Opposition was Minister for Employment and Workplace Relations, unemployment rose from 5.2 per cent to 5.7 per cent and the number of unemployed people increased by 80,000. During Labor's time in office, unemployment went from 4.4 per cent in November 2007 to 5.7 per cent in September 2013. Getting back to the other topic we were talking about before, the reality is that, under Labor's watch, in Dobell more small businesses shut their doors than anywhere else in Australia, and under Labor 412,000 jobs were lost in small business.

Unlike members opposite we saw this as a serious problem that needed to be addressed, and unlike members opposite we have a plan to build a stronger economy, to get more people off welfare and into jobs, and to support the growth and sustainability of Australia's small business. It is our plan to see more Australians in jobs. *(Time expired)*

**The DEPUTY SPEAKER:** The discussion has concluded.
PERSONAL EXPLANATIONS

Mr FITZGIBBON (Hunter) (16:15): Mr Deputy Speaker, I wish to make a personal explanation.

The DEPUTY SPEAKER (Mr Ewen Jones): Does the member claim to have been misrepresented?

Mr FITZGIBBON: I do indeed.

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

Mr FITZGIBBON: Immediately after question time, the Minister for Agriculture himself sought to make a personal explanation. In doing so, he suggested that I had misled him this morning over the matter of the doctoring of his Hansard. He has also asked me to retract, which I will not be doing. The minister tabled a document which raises more questions than it answers. I still challenge the minister to provide evidence that he was not involved in the doctoring of his Hansard.

The DEPUTY SPEAKER: The member should be getting to the point where he has been misrepresented.

Mr FITZGIBBON: I seek leave to table documents that go to the minister's interference in the process of my FOI application.

Leave granted.

BILLS

Higher Education and Research Reform Bill 2014

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mrs WICKS (Robertson) (16:16): As I was saying earlier in relation to these proposed reforms for current and future students, 50,000 students can look forward to benefiting from the abolition of the 25 per cent loan fee for FEE-HELP, and another 80,000 students who are studying in vocational education and training will not have to worry about the 20 per cent loan fee for VET-FEE-HELP. Our reforms mean more opportunity and more choice, particularly for students on the Central Coast. With such dynamic benefits to students, particularly those who need it most, I am very confident in supporting these reforms, because they make possible the world-class education that Australians need and deserve. I commend the bill to the House.

The DEPUTY SPEAKER (Mr Ewen Jones): The question is that the bill be agreed to. I give the call to the member for Wakefield.

Mr CHAMPION (Wakefield) (16:17): Thank you, Deputy Speaker, and I thank you in particular for being so tolerant before and just warning me. Your forbearance is much appreciated. So I can give this speech on the Higher Education and Research Reform Bill 2014, a bill that is an assault on the middle class.

Mr Tudge interjecting—
Mr CHAMPION: It is an assault on the middle class, and if you want to debate it across the chamber I am more than happy to have a spirited debate in this chamber about this bill, which has $100,000 degrees and an assault on social mobility and the middle class at its core.

This is about values, and it is about an assault on Australian values. We hear the parliamentary secretary opposite asking about other opinions. He should know this: we will oppose this uphill and down dale every inch of the way, because what it is, as I said before, is an assault on the middle class, an assault on social mobility and an assault on the idea that you can go to university, get a degree and then, with that public investment that has been made in you, pay it back in taxes by starting a business, by owning a home, by starting a family, by joining the middle class and by contributing to society that way. It is a very good model. It has been going on for decades. We know that education is the key to social mobility.

We have seen the austerity that the government have visited on the Australian community through the GP tax; they said one thing before the election and they did another afterwards. We have seen it in pensions: saying one thing before the election and doing another thing afterwards. We have just seen a debate on the minimum wage, overtime and penalty rates. We know they will say one thing today and they will do something else tomorrow. That is what we know about the government. You cannot trust their words, you cannot trust the word of the Prime Minister and you cannot trust them on education. Look at their 'Our plan—real solutions for all Australians' document. No doubt a lot of members would have gone to the election clutching this document, and of course there is much about education in it, but there is nothing about $100,000 degrees. There is nothing at all in here about $100,000 degrees. This is the election manifesto with which the Liberal Party went to their communities and said, 'Trust us.' They elevated that issue of trust to a level perhaps unwise for politicians, because of course they have said another thing and they have done another.

In this area of higher education, of course, it is a terrible blow to do this, because we understand that education is key to social mobility, productivity, innovation and having a trained workforce. Most other nations around the world are going the opposite way. They are not making it more expensive; they are making it cheaper. They are investing in their middle class. They are investing in their workforces because of those key advantages.

It is little wonder that, when we talk about overseas, we see an article by a fellow of the Council on Foreign Relations in Asia Unbound, titled 'Tony Abbott has to go'. I know, Deputy Speaker, you will say, 'How is that relevant?' I will quote from the document: Abbott also does not seem to think it necessary to even discuss policy proposals with his top ministers and other leading members of his conservative coalition. His lack of consultation has made it harder for him to pass some critical legislation. In addition, he appears to have one of the worst senses of public relations of any prime minister in recent Australian history.

That is what a fellow of the Council on Foreign Relations says in a damning sort of article, which I will no doubt refer to again in the future at this dispatch box.

Mr Wood: No, you won't.

Mr CHAMPION: We know these damning indictments of the government and the Prime Minister are ultimately driven by those opposite.

I hear my good friend the member for La Trobe muttering up there at the back. I do not know whether he was part of the 39. I think he would have—
An opposition member: I think he might have been.

Mr CHAMPION: Do you reckon? I do not know if he is part of the 39, but it is of course good to have him in the chamber debating these issues.

So there are broken commitments. There are these devastating critiques not just in our own domestic media but in foreign media, with foreign think tanks commenting on this Prime Minister. And of course we know that much of this commentary is driven by those opposite, driven by this ramshackle government. Barely a day goes by that we do not see one disaster after another—broken commitments and a retreat from adult government, which they promised the Australian people. There is no better place that it is symbolised—apart from health or maybe industrial relations—than higher education. As I said before, $100,000 degrees and $1.9 billion worth of cuts to Australian universities were not in the election manifesto of those opposite.

There has been $171 million cut out of equity programs. They are programs that take working class kids and disadvantaged kids and put them through university. Who could think that cutting funding for those programs is a good idea? It is not a good idea; it is a bad idea. I represent one of those communities which do not send that many kids to university. We know that that is the key—in part, along with a vocational education sector and an apprenticeship sector—that drives up earnings. The more you invest in education, the more you invest in training, the better it is for the individual, the community and the nation.

There is $200 million in cuts to the indexation of grants programs—sneaky cuts. The $170 million in cuts to research training is hardly sensible in a modern economy. There are fees for PhD students for the first time ever, when research is critical to innovation, to economic growth and to the clustering of particularly medical research but to other industries as well, such as defence and other things. If you get industry and PhD research students together, they come up with things that grow the economy and advance our society. To place fees on those students is stupid. It is just plain stupid. And $80 million in cuts for the Australian Research Council hardly makes any sense at all. Those cuts are devastating. Those cuts are designed, of course, to force universities into a situation where they are charging fees.

You might think: 'Well, nothing comes for free. You've got to pay for everything.' That is a common parlance over opposite. But Professor Bruce Chapman, in a rather articulate quote, does highlight the risk to the taxpayer of all this. He says:
The problem, as I see it, is that doubtful debt is a cost to the taxpayer but the universities are essentially controlling what that cost is going to be because the doubtful debt is a direct function of the loans that are outstanding and if the universities control what those fees are then … they will ultimately be controlling the levers that determine what that doubtful debt is and what the taxpayers pay. It is akin to a blank cheque being handed from the government to the universities on the matter of doubtful debt.

So it is not just that this bill has all these nasty things in it: cuts to universities, cuts to research, fees for PhD students, $100,000 degrees, an assault on social mobility and an assault on the Australian middle class. It is not just all of those things. It also creates a huge risk for the taxpayer in all of this because the universities are in charge of the fees and therefore can determine the amount of debt that the Commonwealth will take on in the area of bad loans. So there is a huge moral risk, a huge risk to the taxpayers, in all of this as well.

To highlight one of the other issues which I am aware of, it is of course how this bill would affect our medical workforce, which is always an issue in this country—finding enough
doctors, enough nurses, enough allied health professionals. This is what the AMA President, Professor Brian Owler, has to say about these reforms. He says:

… the reforms are a ‘ticking time bomb’ that would price a medical degree out of the reach of kids from working Australian families, burden medical graduates with debt in excess of $250,000, discourage students from pursuing lower-remunerated medical specialties, and rob rural, regional, and outer-suburban communities of much-needed doctors.

That is what the AMA has pointed out will happen with this bill. So it is crazy stuff.

If we ask the medical students themselves what the effect is, the Australian Medical Students' Association says:

It is important for the Government to recognise the Higher Education Reform will affect more than just students – there are detrimental follow-on effects for rural populations who already suffer from medical practitioner shortages.

So this is going to exacerbate a problem that exists in many of the seats, many of the electorates, which are represented by those opposite. The National Party must have rocks in their head if they think that this is good for them. It is bad for them. It is terrible for rural medical workforces because what will happen is that, as the cost of a medical degree climbs, students understandably will seek to do specialties that give them the biggest return. It is a logical outcome of higher debt. They will seek to do the jobs where they can earn the most money to pay off those very large debts—and they will be large. So there will be a competition to practise in the lucrative areas, and of course a disincentive to practise where it is not so lucrative. That is a very, very important question, I think, for those opposite to answer, because they represent much of regional and rural Australia.

To conclude, I would say that those opposite have a lot to answer for. They did not promise any of this—and those listening in the galleries and those listening at home—

Mr Wood interjecting—

Mr CHAMPION: There you go! The member for La Trobe has perked up again. It is good to hear him, good to know he is here. I would not have thought the member for La Trobe would want this bill. I would not think anyone would want this bill. It is not a very sensible thing to be leading with. It does not make a lot of sense. It portrays an austerity mindset, a mindset which is going to hurt the middle class, not help it. As we know, the founder of the party of those opposite, Robert Menzies, made much of helping the middle class, and we find this government doing much to hurt it. It is not just enough to come into this place and mouth platitudes—

Mr Tudge interjecting—

Mr CHAMPION: We hear the parliamentary secretary interjecting; he does not like my feedback either, understandably. But this is a bill that hurts working families. It is a bill that hurts the middle class. It is a bill that has $100,000 degrees at its heart. If those opposite think they can get away with all the broken commitments, they are not going to like the outcome at the next election, because the Australian people will hold you accountable.

Ms HENDERSON (Corangamite) (16:31): I rise to speak on the Higher Education and Research Reform Bill 2014. This bill preserves the essential elements of the Higher Education and Research Reform Amendment Bill which was defeated in the Senate late last year. Let me
make it clear that there will be some great benefits for students and families if this bill is passed.

I have to reflect on the contribution of the member for Wakefield. It was a disappointing contribution. It would not really matter what was in this bill, he would still be running with the old Labor rhetoric of, 'It hurts working families'.

I come from a region where there are pockets of great disadvantage, in the region of Geelong and Corangamite. We are very mindful of that disadvantage, and of need to support rural and regional students, to ensure that those who most need our help get it. The Labor rhetoric does not cut it. You have to support it with the facts. What I am going to do today in my contribution is return to the facts, not the rubbish we have heard from Labor about $100,000 degrees, which is not supported by the facts.

Members opposite—including, the member for Wakefield, who disrupts every question time day in, day out, with his carry-on—can carry on about $100,000 degrees, but let's look at the facts. This bill will expand the demand driven Commonwealth funding system for students studying for higher education diplomas, advanced diplomas and associate degrees, at a cost of $371.5 million over three years. I can tell you that Menzies, the founder of our party, would be enormously proud.

The member for Wakefield is now leaving the chamber. I think he might be crawling out of the chamber because he is a bit ashamed that he is being held to account for some of the dishonesty we have just heard in his contribution.

We are very proudly extending Commonwealth funding to all Australian higher education students in non-university higher education institutions. These are students studying bachelor courses, but these are also the students that are not currently supported. Students studying diplomas, advanced diplomas and associate degrees will be supported. An extra 80,000 students each year will be provided with additional support by 2018.

There will be more opportunities for students from low socioeconomic status backgrounds through new Commonwealth scholarships, the greatest scholarship scheme in Australia's history. This would effectively mean free education for the brightest students from some of the most disadvantaged backgrounds. And I just want to stress that: we are absolutely focused on ensuring that those students from disadvantaged backgrounds are supported and lifted so they can achieve the very highest levels in their tertiary studies. In addition to Commonwealth scholarships, there will be a dedicated scholarship fund for universities, with a high proportion of low SES students that will be funded directly by the Commonwealth on top of university based scholarships.

The Higher Education Loan Program will see the taxpayer support student tuition fees up-front. What we are ensuring is that there will be no payment of any fees up-front. The loans will only be repayable once a decent income is hit by that particular student who goes on to work—a minimum of some $50,000 per annum. Let me stress: not one cent needs to be paid up-front.

In this particular bill there are five key amendments. And this reflects that we are working with the Senate, that we are listening, and that we are responsive to some of the concerns that were raised in the earlier bill that was defeated. Let me stress what we have before us with these amendments. We are retaining the consumer price index indexation for HECS debts.
The government has accepted Senator Day's amendments to keep the indexation rate for student debts at CPI rather than moving to the 10-year bond rates. So we did listen to those concerns and we are receptive. We are working with the concerns of the Senate because we believe wholeheartedly in these reforms.

We have also introduced in this bill an interest rate pause on debts for primary carers of children aged less than five years who are earning less than the minimum repayment threshold. So the government has accepted Senator Madigan's amendment for a HECS indexation pause for the primary caregiver of newborns up to the age of five years. This is a very important initiative for new parents, making the HECS system better than ever.

We have agreed to establish a structural adjustment fund to assist universities to transition to the new environment, and that is very important as well.

In this bill we will introduce a dedicated scholarship fund for universities with a high proportion of low-socioeconomic-status students that will be funded directly by the Commonwealth, on top of university based scholarships. We are also amending legislative guidelines so domestic fees are lower than international fees—there is that particular certainty—and the government will also direct the Australian Competition and Consumer Commission to monitor these university fees.

There are some significant implications if this reform bill is not passed. An estimated 80,000 students will miss out on Commonwealth support each year by 2018: 35,000 at bachelor level and 48,000 starting diplomas, advanced diplomas and associate degrees—they will all lose. Many of these students will need to pay full fees to complete their preferred course and others will just miss out altogether. Around 50,000 higher education students and 80,000 vocational education and training students will still face a 25 per cent loan fee for FEE-HELP and 20 per cent for VET FEE-HELP loans. Again, there are some very significant implications if this particular bill is not passed. Thousands of disadvantaged higher education students will not receive the assistance that we are offering under this bill, and the primary carers of a child aged five years and under will also not receive the support.

I do want to reflect on the scare campaign being run by the Labor Party. In my contribution I do want to reflect very much on the facts. It is fair to say that Labor, the Greens and the National Tertiary Education Union have been running what I would say is a completely irresponsible scare campaign. The claims in relation to fees are completely false. The Queensland University of Technology has published its fees for 2016, and they are massively below what the scare campaign has been saying. The University of Western Australia has set its fees for 2016 and, again, they are less than half of what the scare campaign is claiming.

Labor, the Greens and the NTEU have resorted to a very dishonest campaign in a desperate attempt to rally against what we are doing. The Labor Party, deep in its heart, knows that deregulation of fees will have no negative impact on disadvantaged students. Let me reflect on the shadow assistant Treasurer, Andrew Leigh, who said in relation to deregulation and deregulated fees: 'There is no reason to think that it will adversely affect poorer students.' That comes from his contribution, Imagining Australia: ideas for our future, from 2004.

Vicki Thomson, the then director of the Australian Technology Network of Universities, wrote in her article, 'Don't be fooled by "$100,000 degrees"':
… the university sector is not looking to introduce standard $100,000 degrees and deregulation won't deliver them.

There is a fundamental principle here: universities which roll out fees higher than can be afforded by students will have empty lecture rooms. Universities understand that in order to attract students they need to be commercial; they need to offer degrees that students want to study. But it seems that the Labor Party does not understand this.

The Australian Catholic University in its submission to the Senate committee on the reforms said:
… ACU does not anticipate a general and massive rise in University impositions on students.

The University of Sydney in its submission to the Senate committee said:
In our view there have been wildly exaggerated claims by the opponents of deregulation about degrees costing more than $100,000.
… … …
In our view the market will not sustain such exaggerated degree prices, …

Because this is a market-driven system:
… it is vital that we keep tuition rates down …

If tuition rates are too high the University of Sydney will not attract students. They understand it and every single university across Australia understands this basic fundamental principle. But not the members opposite.

Member institutions of the Council of Private Higher Education have confirmed that whatever they receive in Commonwealth support for students will be passed on to students through reduced tuition fees. The indicative fee levels published by the Council of Private Higher Education show that the total cost of degrees will be far below what the alarmists and what the scaremongers have been claiming.

Open Universities Australia says:
… we are confident that for numerous courses, deregulation of fees will also lead to a significant decrease in the cost of tuition.

This highlights that competition will keep fees down. Universities which charge exorbitant fees will have empty lecture theatres. The universities understand this.

I do just want to reflect on the wonderful university headquartered in my electorate of Corangamite, Deakin University. Deakin University is an example of a university which is innovative, which is forging credible links with industry and which is going from strength to strength. The Vice-Chancellor of Deakin University has expressed some concerns about our reforms but, as I have mentioned, we are working closely with the crossbench and with the Senate to address some of these issues, to ensure there is greater equity and a particular focus on looking after disadvantaged students and students from rural and regional Australia. Like you, Mr Deputy Speaker, and like many members in this House, we are fundamentally concerned about ensuring that those from rural and regional areas of Australia get every possible opportunity to go to university and to reach the best that they can be.

If I look at the work of Deakin University, there is the establishment of Carbon Nexus. It is a $103 million Australian future fibre research and innovation centre, partnering with the CSIRO and the Victorian Centre for Advanced Materials Manufacturing. It is a research
facility delivering some extraordinary work—a 20-tonne carbon fibre pilot line which is
demonstrating to the world Geelong's potential in advanced manufacturing. It is an incredible
facility. It is an incredible investment and driven by Deakin University.

Deakin University also has a $55-million state-of-the-art centre for advanced design and
training and is working very closely with industry partners and with business to deliver to its
students—from its PhD students to its undergraduate students to its academics—every
possible opportunity not just to study at this university but to forge links with industry and to
deliver so many opportunities in a city which needs every possible opportunity it can grasp.

As I have indicated, there were some challenging aspects of the previous bill which we
have addressed. There have been some 33 reviews of the university system and those reviews
have been important in the history of providing university education in this country. We are
now at a point where reform is required. Reform is very important. The ways in which we are
addressing the issues for rural and regional Australia are incredibly important and how we are
lifting the opportunities for those who are disadvantaged is incredibly important. I commend
the bill to the House.

Mr LAURIE FERGUSON (Werriwa) (16:46): I rise to speak on the Higher Education
and Research Reform Bill 2014. I note at the outset there was a very cute citation by the
previous speaker in saying that an academic had indicated that there would not be a 'standard'
$100,000 university fee. The most harsh detractors of this legislation have not alleged that it
will be the standard. So for that academic to say that it will not be standard is actually saying
nothing.

I broadly associate myself with the opposition to this legislation—nearly $2 billion in cuts
to Australian universities, a thrust against equity programs at a time when they are even more
necessary because of the danger to equity access in this country, cuts to the Research Council
ect etc. I heard the assurances from the member for Barker that because his university was
going to have a jazz course with James Morrison, nobody in regional universities—and I
include regional city universities such as that in Western Sydney—had anything to fear. If
that is the case, I do not think the government, as concerned as it is with deficits etc, would
actually be offering a $100-million transitional phase over three years for these
universities if they do not have any danger coming to them—of course it is only one-fifth of
what they sought.

I divert briefly from the other points made by opposition members to talk about one
specific issue that in a way has the support of the whole House but, unfortunately, the
government has refused to delete it from the controversial aspects of the bill—that is, the
question of special category visa students from New Zealand. There is a provision that they
would in future be eligible for HELP assistance.

We have a situation in this country where New Zealand citizens are allowed, as we know,
to come here forever and a day. Basically they do not require visas to come here but their
children are treated as foreign students. I do not in any way support the overall campaign by
Australian New Zealanders to be given access to every aspect of welfare. Essentially they
would not be here if we did not have a visa-free system. However, when we are talking about
access to university for the children, I think this is a very real social issue for the country.
We have a situation where the median age of Maoris in this country is 25 years. Thirty-one per cent are under 15 years of age with only 2.3 per cent over 65. I have a bit of self-interest in this because my electorate has one of the greatest concentrations of Polynesians and New Zealanders in the country. In actual fact, my electorate has a 16th of the total Polynesian population in the country. To give you an example of some of the social dangers that we are talking about, the incarceration of the 88 Samoans in Australian jails in 2013 represented a rate of 500 people per 100,000—the second highest rate of incarcerations in this country. So I think we have a very real social problem if we do not do something about giving these children access to university and to HELP assistance.

It follows a mistake made by the previous government where we accidentally—I would say—deleted access to English courses for New Zealand citizens believing somehow that every Polynesian that lived in New Zealand for some time was fluent in English, which is not the case. I would have hoped that the government would have seen a bit of sense and deleted that particular section from the bill.

I have heard assurances from many opposite that there is nothing to worry about, that essentially university fees will not increase greatly, that there will be competition and, as one speaker said, the halls will be empty if the fees are too high. I think their views are interesting but I think a guy called Ross Gittins, who is a fairly acknowledged economic commentator in this country, might have a bit of credibility. He said in an article in the Sydney Morning Herald on 31 May 2014 under the headline Ignor the PM, university fees will rise steeply:

The 20 per cent cut will give the unis an immediate and pressing reason to use their new freedom to increase the fees they charge, and the less generous indexation will maintain the pressure for further increases.

He said further:

In the tertiary education 'market', however, we have a relatively small number of large and larger organisations selling differentiated products of uncertain quality. We have oligopoly rather than 'perfect competition'.

He went on to say in conclusion:

On the basis of all this, my guess is the sandstone unis will raise their fees a long way and the less reputed unis won't be far behind them. Their notion of competition will be to make sure no-one imagines a lesser fee than the big boys is a sign of their lesser quality.

In actual fact one of the challenges for universities such as Western Sydney is that they will not move their fees as much as that. It is also quite possible that there will be a bit of an image problem for those campuses.

There have been many comments about why we have to do this—we are not up there with the top international universities, we are falling behind, et cetera. However, there are models overseas which show what really happens. In the United Kingdom, a study by the Higher Education Commission last year found that 73 per cent of students would be unable to repay their loans within 30 years, at which point debts are automatically wiped. This would amount to 45 per cent of the total debt remaining unpaid. It means that the majority of students who do actually repay will be paying back their university loans well into their 50s. It was noted by the Institute of Fiscal Studies that the average student debt incurred would be £44,000, up from the previous average under the old system of £24,750. The UK pattern has been one of a huge increase in costs and, even though we have heard comments that it would be limited to
£900 when higher education was deregulated, it is not so. In the real world by 2015-16 only two of the 123 universities in the UK will not be charging the maximum.

In the United States student debt has reached $1 trillion. Since 1978, the cost of a college degree has risen 1120 per cent—four times the CPI—while food has only increased by roughly a fifth of that. Two of every three students leave college weighed down by debt; one in 10 has a debt greater than $40,000; 41 per cent were behind by over five years in repayments; $8 billion was owed in loans. The author of the article which cited those figures, Jason Ritchie in the HuffPost blog of 8 April 2014, gave this scenario of his family:

My grandfather suffered from black lung, which he caught during his years toiling in the coalmines of Kentucky … Sending his son to college meant that my father would never develop his same chronic cough and back pain. … Student debt means slower and higher unemployment … less money flowing through the business … less money to buy a home … fewer and fewer students attempting to gain a degree and fighting for the promise of a better future.

According to the Federal Reserve Bank, a credible authority in the United States, 40 per cent of those under the age of 30 have outstanding student debts of an average of $23,000.

The member for Herbert earlier spoke about a heroic resistance to the Labor government—with the Whitlam government for wiping university fees, et cetera—and the way Labor had backed away from that approach in favour of loans, but here we have a far more significant move. The member for Herbert is defending a far more draconian future for students. This government is bringing in the private sector. The London Review of Books five years ago carried an interesting article about the US experience. It noted:

The money that would once have been reserved for academic salaries is spent on marketing, which eats up as much as 25 per cent of expenditure: the Apollo Group spent $1 billion on marketing and student recruitment in 2010. Education is neither here nor there: if that is the fastest way to generate profit then no one will worry if a quarter of the funds are drained away from teaching.

Howard Hotson further commented in that article:

In April Willetts announced—that is in the UK—that from 2012 students starting courses at private institutions will be able to take out government loans of £6000 per year. Worse still, in September public funding for teaching in the humanities and social sciences will cease in England. The fear is that the most lucrative courses will be cherry-picked by profit-driven institutions.

I believe this is a very backward step; it represents a real threat to the non-sandstone universities. The sandstone group has been very vocal—and who would not be in their situation with $2 billion of public money ripped out? They are saying that we do not need to worry about a sharp rise in the price of education. Clearly, there is very little alternative for those universities; they will get away with what they can. That has been the experience overseas.

It is interesting that the Minister for Education and the Treasurer were on the public record as opposing any increase when they were students. They are now saying that Australian students should face greater pressures than they did. I condemn this legislation. It presents a gamble on life; they say those with university degrees can earn more. That may be true, but not everyone is in the same situation as the member for Herbert who assured this chamber that, when he had asked his two daughters whether they would be affected by price rises, they
had said, 'No, they wouldn't be.' I am afraid there are a few people out in voter land who do not have the income of the member for Herbert and whose children may be more affected by price rises. He also mentioned a survey, which he said was unscientific—and I agree with him—that at the university up there he and his staff found out that the majority of students did not know how much they paid in university fees. That might be the case under the current arrangements, but, I tell you what, they will know what the fees are when there is a gross expansion under these provisions. I join opposition members in strongly condemning this legislation.

**Dr STONE** (Murray) (16:59): I too wish to speak in this debate on the Higher Education and Research Reform Bill 2014. This is a 'most significant' reform. They are the two words that are being used over and over again not just by members of the coalition but also by the university sector itself. We have needed significant reform for a number of years, because we have had universities dependent on overseas students' fees for income—the majority of their income, in some cases—and we have had an extraordinary situation where rural and regional students have not been able to afford to go to university. Even though our Higher Education Contribution Scheme enabled them to pay back their fees at a reasonable rate, they could not afford the living-away costs—and I will come back to statistics about the rural and regional disadvantage later on.

This is a most significant reform. We have had reforms in the education fee-charging sector for a very long time. For example, in the sixties there were fees charged. At that time, if you were a rural or regional or low-income student, the way to go to university and have your fees paid, if your parents could not afford it, was to take up a teacher studentship, which was what the education department in the state of Victoria offered. So we had a couple of generations of people who went through university doing arts degrees and some science degrees who had no interest really in teaching but at least they got their courses paid for. They were bonded after those courses for a year or two to pay back the funds that had been spent on their university fees. But there was a whole industry for a long time working out how to get out of having to work as a teacher, because of your mental capacities or your anxiety and depression when you thought about teaching after you had completed your degree.

The other alternative in those very difficult times in the sixties if you did not have a teacher studentship was that if you were in the top academic achievers of your year 12—then called matriculation in Victoria—you could gain a Commonwealth scholarship. That paid your fees and also a very, very modest living allowance which you had to give up if you married. I know this from personal experience. So there was in fact a time in the sixties where options were very limited in how you could access a university education if your parents could not pay. Then we had the so-called glorious years of no fees, with the Gough Whitlam catastrophe when he was elected to govern. That no-fee period meant that the children of those who could go to university were subsidised by the vast majority of families who paid income tax towards those students, with few of their own children having the benefit of a university education.

Today I think we are going to be able to move towards the better of many worlds. One of the ways to ensure that even the lowest socioeconomic status families can achieve a university education for their children is to make sure that there is not only an adequate scholarship system but also a fee subsidy system where you can pay back the cost of your fees over a
reasonable period of time, with interest rates you will never again experience in your lifetime of borrowing and with special dispensations. For example, there will be an interest rate pause on debts for the fees of people who are the primary carer of children aged less than five years and who are earning less than the minimum repayment threshold.

The government has proposed five key amendments. One is the retention of the consumer price index for HECS debts. This means that your fees can be paid upfront. No poor, low-socioeconomic status family should have its son or daughter denied a university education, if they have the academic results to enter that education stream, on the basis of not being able to afford the fees. They will be able to take out what I will call HECS debt support and that will be indexed for the period of their university days and beyond at the consumer price index only. As I have already mentioned, there will be an interest rate pause if you are a primary carer of children aged less than five years and you are earning less than the minimum repayment threshold.

Then we are going to establish a structural adjustment fund to assist universities to transition to this new environment. That is particularly important for the newer and smaller universities. In Australia we have what are commonly referred to as 'sandstone institutions', which have been around for more than a century. They do very nicely from endowments and trusts and have received a lot of full fees from overseas students and from families who can afford quite a high standard of living and pay big fees for courses like medicine or law. Those sandstone institutions will be okay. It is the smaller institutions that will need to have this structural adjustment fund—and I commend that key amendment that has come through.

We are also introducing a dedicated scholarship fund for universities with high proportions of low-socioeconomic status students. This will be funded directly by the Commonwealth on top of the university based scholarships. This is an excellent key piece of this legislation. In an area like mine in northern Victoria—where one in four people aged between 18 and 25 are unemployed; where we are in the lowest 10 electorates of Australia in terms of average incomes; where we have struggled through drought and flood and now we struggle through bad state government policy; and where our irrigation water system, a monopoly owned by the state, is stripping irrigators of the opportunity to make an income, with the fees and charges and the very poor service—our families need every little bit of help they can get to enable their children to upwardly mobilise through a university education into a high-income earning job or position.

There will be a generous Commonwealth scholarship scheme, which was first identified by our minister, that will come as a consequence of any extra fees charged—where substantial parts of those extra fees charged can be put into scholarships—but this will be an additional package of scholarships, funded by the Commonwealth. Thousands of students from disadvantaged backgrounds and students from rural and regional communities, in particular, will have even more help to get to university. It costs a minimum of $20,000 to $25,000 a year in living costs for students in my area to go to university. This is in addition to their fees and charges. Nearly 50 per cent of our families in Murray are on welfare support of one sort or another and they need that scholarship to help their young people get a university education—typically, away from home.

We are going to be amending legislative guidelines so domestic fees are lower than international fees. I think that is only right and fair. The government will also direct the
Australian Competition and Consumer Commission to monitor university fees. I think that is an important initiative as well. We do not want to see gouging and we do not want to see unconscionable behaviour by universities, taking advantage of their elite status or their geographic position in a capital city to charge extraordinarily higher fees than they did before.

I strongly support this Higher Education and Research Reform Bill 2014 and I want to give an example of why. My electorate of Murray has a number of local government areas. The City of Greater Shepparton includes the Goulburn Valley. In Victoria, 40 per cent of all year 12 students go on to a university. Unfortunately, in Shepparton only 22 per cent—or less than half of our students—go on to a university to obtain a degree. In the Strathbogie shire only 20 per cent go on to a university compared to the state average of 40 per cent; in the Campaspe shire, 19 per cent; the Moira shire, 15 per cent; and it is even lower in the Loddon shire. So we are just below half the state average in respect of the numbers of year 12 graduates who go on to a university.

At the same time, a number of my businesses and my manufacturers are so short of trained, skilled staff that they come to my office and ask me how they can be supported to get more 457 visas granted so they can bring in technicians and engineers, and people to work in animal husbandry and in skilled positions managing some of Australia's biggest piggeries and dairy manufacturing centres. So on the one hand, we have less than half the average number of students in my electorate going to university compared to the state average and, on the other hand, we have jobs going begging when it comes to skilled occupations. This is an absolute tragedy.

We had a terrible time during the mining boom when a lot of our skilled workers were attracted across to the mining areas on much higher wages than our local economy could generate for skills at that level. We still have the legacy of that problem. Our government has tried to address this through relocation support and allowances for the unemployed or for those shifting from an area where there are few employment prospects to areas where jobs are going begging. I commend our government for doing that.

We also need to address problems in our area like the lack of good, appropriate and informed career counselling. We need our students from years 7, 8, 9 and 10 to be able to get local work experience so they come to know the sorts of career opportunities that are available in a region like ours, a food- and fibre-growing and manufacturing area.

In Australia, there is an increasing divide between those born in metropolitan areas and those born in rural and regional areas. That is not fair, it is un-Australian and it is not what we have ever espoused as the Australian way. The La Trobe campus in Shepparton is now well established, through a lot of federal funding that has helped it build up its campus. It is not right that that campus has an expectation that many of their courses will be taught virtually. Their students will sit in front of television screens rather go to lectures, have face-to-face tutorials and engage directly with lecturers. They will be expected simply to tune in down the line to the campus at Bundoora. This is a particular problem in my area because a lot of my students are the first in their families to receive a higher education or a university education. There is no culture or tradition in their family of knowing what it means to prepare for a tutorial or an assignment, or have a discussion in a university setting with like-minded students or their academic teacher. We need that experience face to face.
In the Goulburn Valley, we have a significant number of overseas born families, particularly refugees from the Middle East and migrants from southern Mediterranean areas. These families do not want their sons and daughters, particularly their daughters, to leave home until they are married. The girls are disadvantaged because very few university courses are offered locally or, if they are, the courses offered are taught via virtual technology rather than face to face. This personal interaction is so important for these students, especially in their first year.

There are a lot of important changes that need to take place in our university sector. I was an academic teaching in universities for a great many years. Before coming to this place, I was Manager for International Development at the University of Melbourne. I worked at the coalface in international student recruitment, particularly with north Asia countries, encouraging them to look at Australia as a place for their students to come to be better educated. I know that Australia has some of the world's best courses and academics who can substantially retain or increase the reputation of our country as a provider of excellent university education.

These reforms are going to make good university education all the more possible not just for international students but also for our domestic students, particularly those from areas like mine where there are very low incomes, difficulties with English language and families with little experience of a university education. I commend the scholarships in particular and I strongly support these reforms. I hope that they will progress without any further ado through both houses.

Mr PERRETT (Moreton) (17:14): I rise to speak on the Higher Education and Research Reform Bill 2014. I want to declare up-front, in case there is any perceived conflict of interest, that I have been to university. I did not pay any HECS on my Diploma of Teaching, which I completed when I was 19 at what you would probably call a red brick university. I did my arts degree—my honours degree in literature—at a sandstone university, and my law degree at another red brick university. I should also mention that I have what you might call a 'gum leaf university' in my electorate—Griffith University.

This bill before the House today is the biggest proposed transformation to higher education that Australia has seen since the Whitlam Labor government gave us access to a free university education when it abolished university fees in 1974.

Mr Whiteley: Free! Someone paid for it!

Mr PERRETT: The major difference, Mr Huff-and-puff up there, is that Whitlam made historical changes that shifted Australia towards a significantly more equal society and made us more economically flexible. The current government aims to divide our nation with this legislation and make us a more elitist society where students will be given a debt sentence as a barrier to opportunity. This will also, importantly, undermine productivity opportunities. With a growing number of students finishing year 12 and looking for further education, the system was due for an overhaul, I understand. Funding the entire cost of their education would place a significant burden on the budget, the LNP made that clear; but let us contrast it and see it through the prism of the Whitlam government's changes, especially after his death.

In 1974 the Whitlam government abolished university fees, opening campuses to groups that had previously largely been excluded from this elite education. In 1989 it was the Hawke
government which massively expanded university education through the Dawkins revolution, in the form of the Higher Education Contribution Scheme. Since these innovative changes, HECS-style income-contingent loan systems have been adopted around the world. Dawkins chose—quite controversially at the time—to fund this massive expansion in the number of university places available to Australian students through the introduction of this groundbreaking deferred-repayment, income-contingent student loan scheme. This values-driven choice of the Labor government meant that funding for the sector could be dramatically increased without students from disadvantaged backgrounds being locked out of the system.

A modern Australia requires our brightest to strive. The policy being promulgated by those opposite is the 'dumb-but-rich' model. This simply will not create the jobs and opportunities of the 21st and 22nd centuries and it demonstrates a stark difference between Liberal-National party policies and all those higher education reforms introduced under Labor. This government, the Abbott government, wants to allow universities to charge students as much as they want for a degree. This is an assault on the middle class and an assault on Australia's social mobility, to quote the member for Wakefield. A degree should not be a debt sentence.

Mr Briggs: You can quote someone better than that, surely!

Mr Perrett: I am sure the member for Mayo is always happy to quote the member for Wakefield. Sorry; I withdraw that.

Labor knows the economic and social returns that flow from investing in education are both worthwhile and crucial. With the students attend TAFES, universities or skills colleges, increasing their skills through education is what drives Australia forward. It is what helps us compete on the world stage. The ball-and-chain bill before the House has not changed from when we were debating this back in September last year. Pyne's folly still means cuts to higher education, higher student fees, more debt and a lot of uncertainty for everyone else. The ball-and-chain degrees legislation was defeated in the Senate; yet the pig-headed education minister wants the public to believe that these reforms are acceptable and inevitable. That is not the case, not while Labor is still standing.

Faced with a cut of 20 per cent in government funding most universities have submitted meekly to the decision to deregulate undergraduate student fees, certainly in public; but they are seething in private. The Minister for Education has defended his argument for a US-style college system in Australia by suggesting that higher education is somehow elitist in nature. He asks: 'Why should the rank and file taxpayer pay for 60 per cent of the costs of students attending university?' The point the hapless minister is missing is that the entire nature of taxation is that we are all taxed for benefits in which only some of us participate. Secondly, this ignores the intergenerational nature of support for education and the benefits that flow from it. One generation, through taxes, pays for the education of the next generation, which in turn pays for the education of the following generation. That is what good societies do. The minister's statement ignores the fact that university graduates not only subsequently extinguish their tertiary fee debt but also become members of wealthier professions and pay substantial taxes over the course of their professional careers.

The minister has ignored the social benefits of higher education. When I say the social benefits, I do not mean just the things the Minister for Education did when he was at
university; I note from his CV that he was the President of the Days of Our Lives Club when he was at university in South Australia. It is good to see he had lofty pursuits early.

Our society thrives because of our teachers, our doctors, our engineers, our lawyers, our educators more generally and our architects. We must give every smart Australian the opportunity to contribute. The Prime Minister and his team are attempting to divert attention away from the fact that this reform before the chamber leaves students with $100,000 degrees hanging over them after they graduate—ball-and-chain degrees that will not boost productivity. These reforms to higher education are unnecessary and unfair, and I suggest that Minister Pyne head back to the drawing board.

For the Australian Labor Party, education goes beyond mere utility. As personified by so many of the MPs on this side of the chamber, education has been the catalyst for change and opportunity. It is the provider of confidence, tolerance and hope. The opportunity of an education is an Australian right that belongs to all of us. Much of our Australian egalitarianism is due to the availability of education, particularly over the last 50 or so years. Though we are proudly and profoundly, I believe, an egalitarian society, Australia is also challenged with this emerging inequality between household incomes. In 2013, Australia recorded the ninth-highest level of inequality among 34 rich countries—a phenomenon detailed in Andrew Leigh's book, Battlers and Billionaires; it is well worth a read. In 2014 a Senate committee tabled a report that showed income inequality had increased in Australia since the mid-1980s. The availability of affordable education for all Australians is increasingly vital when we are faced with this widening pay gap.

The fundamental point the honourable Minister Pyne seems to miss with this legislation before the chamber is that there are societal benefits and opportunities that come with the availability of education. During the 1920s, inequality was at a very low point in our history. During the postwar decades, Australia's inequality improved significantly, and this was partly due to the educational opportunities that Australia offered.

If the higher education reform bill is in force, students will face lifelong debt and some, regrettably, will avoid studying at university. The bill is disadvantaging students from poor socioeconomic backgrounds and creating a two-tier university sector—or some might say a three-tier university sector. This divisive structure exists in the US where quality education is available only to the rich. This is because the higher profile institutions are more able to attract the lucrative students from overseas as well as domestic students who seek out the higher status campuses. There is no argument being put up that that will not be replicated in Australia. In fact, you could even argue it is being replicated already.

Despite the HECS deferred loan scheme that currently operates, poorer students are much less likely to take on debt than students from wealthier backgrounds, who have the family support needed to cover these and other living costs. Higher fees could also shut out rural and mature age students. This leads to a tertiary system where equality of access is further compromised and not everyone who is eligible and smart enough for a university place goes on to tertiary study—something I am sure the National Party will be particularly aware of. Hopefully, they will not forget the bush yet again. This is not in the best interests of Australia, which ought to uphold its egalitarian ideal of ensuring good education is available to all.

Under the former Howard government, Commonwealth funding per student was lower in 2007 than it was when the LNP took office in 1996. The current Prime Minister and the
Minister for Education, Minister Pyne, were both members of the Howard government in 1999 when Prime Minister Howard promised:
We have no intention of deregulating university fees. The government will not be introducing an American style higher education system. There will be no $100,000 university fees under this government.

Today the Abbott government is bereft of those Howard government values. It demonstrates that the Australian public never know what they are going to get when they vote for the Liberal and National parties. Prime Minister Abbott has taken the Australian public for mugs when it comes to higher ed.

Labor is proud of its ongoing commitment to higher education. Under Labor, an extra 190,000 students were able to undertake an undergraduate degree and university funding almost doubled. Revenue increased from $8.1 billion in 2007 to $14 billion in 2013 and by 2017, despite the tough budgets, it would have reached $17.7 billion. Obviously there is a slight change in the taper due to budget constraints but, despite the misrepresentation of those opposite, it is true to say that our budgets delivered real increases to the university sector over our six years in government. Over the same time period the real level of funding per student place increased by more than 10 per cent. I stress that again—the real level of funding per student place under Labor increased by more than 10 per cent over the same time period.

Labor's strong belief in education is in stark contrast to the Abbott government's agenda that only wants to impose radical and regressive policy that promotes elitism and exclusivity. These ball-and-chain degrees will restrict opportunities and curtail productivity opportunities. Women who want to return to studies after having a family, students from low-income backgrounds and students from regional Australia—country towns like St George where I come from—will be hardest hit by these higher fees and higher interest rates on student loans.

Australia wants to be known as the clever country—not just for the bragging rights but because of the jobs it will create for our grandchildren, their children and beyond. However, we cannot remain competitive, especially with Asia, unless we have a sophisticated, well educated workforce. Dumb but rich just does not cut it. This ball-and-chain degree bill before the House will mean talented students will think twice about pursuing a university education.

Labor will fight these unfair fee changes to our universities. Accessible, affordable and quality higher education need not be a pipedream. It is simply a matter of government priorities. Students should not have to pay the price for the Prime Minister's betrayal, as exemplified by Minister Christopher Pyne. I do not support this bill before the House.

Mr WHITELEY (Braddon) (17:27): I am more than happy this evening to speak on the Higher Education and Research Reform Bill 2014 and to respond to some of the more recent claims by those opposite. Who would have thought that this quote I am going to read came from a very senior member of a former Labor government? The honourable Gareth Evans said:

It is time to change our one size fits all funding system and let diversity develop. Changes to the system will be controversial but real change is required if Australia is to offer its young people a real choice in education and produce graduates to match the best in the world.

That was the honourable Gareth Evans.

The member for Moreton, who just left the chamber, spoke in glowing terms of John Dawkins, a former education minister of a Labor government. He spoke about him as a
ground breaker who introduced policy changes that were just magnificent and really set us up in this sector. What does John Dawkins have to say about the current reforms we are debating tonight? He is saying to his former colleagues: 'For goodness sake, grow up and get to the table. Have a discussion. We cannot go on this way. We need change and you need to be a part of the solution, not a part of the problem.'

Anyone listening tonight on the radio or reading the Hansard—and probably the first thing I should say is they should get a life—would have heard the last speaker. He would have them believe that the university sector of Australia, represented by Universities Australia, did not really believe in their heart of hearts that these changes were needed. He went around a little bit and said: 'Behind close doors they are not happy. They are browbeaten and they have come out because they really have to'—and I think the inference was that was because they might be punished. What an interesting take. Who would have ever thought that a conservative government could browbeat the universities of this great country? That would be a first since Federation, I would have thought. They are not normally rowing the boat with us, which is the best way I can put it.

We have quotes from the University of Sydney, for example. This is not just some misreported article in The Australian, The Age or The Financial Review, it is in the University of Sydney's submission to the Senate inquiry. They said:

In our view, there have been wildly exaggerated claims by the opponents of deregulation—aka the Labor Party—about degrees costing more than $100,000. In our view, the market will not sustain such exaggerated degree prices. It is vital that we keep tuition rates down.

The previous speaker said deregulation will mean fees will be out of control. He basically said: 'Who can say what they'll charge? They'll be able to charge anything they want.' Well, Bunnings can charge anything they want, too—for the barbecue that I bought last Friday. But there is a point that comes into play here. I will determine, based on price, where I do business. If Bunnings wants to charge a ludicrous, ridiculous inflated price for a barbecue, I will go down the road and buy one from someone else. It is ridiculous to claim that these reforms will lead to a professional, mature sector that has been here for 100 years just going crazy and waking up one day and saying, 'Let's triple the price of university!' How ludicrous! I mean, do those opposite actually believe what they read when they get to the dispatch box? If they do, I just wonder where the country is going if it gives even an ounce of thought to giving the treasury bench back to the Australian Labor Party. It is ridiculous.

I want to refer people to what I thought was a magnificent contribution in this place last sitting week by my second amigo from Tasmania, Eric Hutchinson, the member for Lyons. Everybody should go to his website and have a look at the contribution he made in this chamber. It was a superb contribution which went to the heart of the issues facing Tasmania. I do not want to re-do that because I could not do it any better than what has already been done—and I do refer people to that.

I hear a lot from those opposite—and we heard it just a few moments ago—about the great Whitlam years, when free education was available to Australian students. I mean, what planet do this lot come from? We hear often, in the context of us trying to build a sustainable health system, that they want free health, and they want free education. Well, any clown would know that there is no such thing as something for free—someone, somewhere, is paying for it.
Let me give you a real life example in relation to these reforms. Let us say that a young man in my electorate chose, for whatever reason, not to go on to tertiary education. In my electorate 43 per cent of students do not even finish grade 12. The Tasmanian government is doing a lot of good, positive work in that area, and there is improvement on the go, but a lot of people do not even have anyone in their family who has been to university. A cultural change is needed—but that is a story for another day. So let us say that this young man decides that he wants to go and do a trade—or maybe his sister might want to do a diploma.

There is no taxpayer help for them—none whatsoever. So he goes off and does his trade, he gets an apprenticeship, and he starts paying tax from the first pay that he gets. His taxes are in fact paying for the education of someone who has chosen to do a university degree. And good luck to them—I am not suggesting that that is a bad thing. But let's get this into some sort of perspective. There is no such thing as 'free'. For a young tradesman of 17 or 18 years of age earning his first pay packet, some of his tax is going to his next-door neighbour who will have the privilege of doing a university education—with 60 per cent of the fee, by the way, funded by the taxpayer—when that person, over a lifetime, will be able to earn $1 million more than the young tradesman.

Let's get some reality into this debate, for goodness sake! I can cope with a little bit of political rhetoric and points scoring, but we are talking about the future of our young people and the education future of our country. This lot opposite do not want to come to the table with any sensible plan to try and build the tertiary education that we need. They are holier than thou. Butter does not melt in the mouth when they talk about these reforms. Let us not forget that, in the six years of the Rudd-Gillard-Rudd government, this lot opposite, when on the treasury bench, took $6 billion away from the higher education sector. In the last year alone, $3.1 billion was taken out. And even now they will not support the very changes that they wanted in the Senate and which we now have before the Senate. Give us a break! For those who are reading or listening to this, let's just get our feet on the ground and get some reality into this debate and make sure we actually build a system that is sustainable.

The other matter I want to talk about goes to the whole issue of the scare campaign that this will build an elite system, that only the rich will avail themselves of the system. Nothing could be further from the truth. In fact, this is the exact opposite. I go back to my example of the tradie. We are opening up 80,000 more places in tertiary education across this country. We are opening up the door of opportunity for young people in my electorate who have not had the example of a generation before them leading them to a tertiary education. As a step towards a degree, they may in fact choose to do a diploma. And, for the first time, the taxpayers of Australia are saying: 'Good on you as a tradie. We're going to put the same amount of support, effort and taxpayer subsidy behind you as we do for someone who has had the cultural and generational example to go off to university'—and why shouldn't that be the case. Talk about elitism! It is not this reform that is elitism; it is the refusal to accept this reform that is elitism because they want to keep it in the hands of those whom I would presume they now seek to demonise on our behalf.

The other thing I want to say is in response to the claims by those opposite that our young people will be debt ridden. They will not be able to get into university; they will not be able to afford it. I say to the Australian people, particularly in my electorate: right now, today, if you sign up for a tertiary education with a degree at a government university around Australia,
there is no cash to be put on the table in the first place—not one cent. So can we get some truth into this debate? Any young person in this country, from the poorest to the wealthiest family, has exactly the same door to walk through, and that is the door of government supported places in the education system. I said this in a previous speech, and let me say it again because most people do not know this fact.

I dare say—and I know this because I have had them in my office—even educators do not understand that right now the Australian taxpayers like the tradie I talked about and the sister who went on to be a hairdresser, who pay their taxes, subsidise every university degree taken out in this country by 60 per cent. We do not hear that. What is left for the student to pay—only when they earn over $50,000, by the way—is 40 per cent. The bottom line here is everybody has access. Everybody has the same loan scheme—the HECS system—to be able to pay their debt back. They do not have to pay one cent back until they earn over $50,000. What is wrong with that? Most countries in the world would die for this system. We heard the previous speaker talk about other countries and how they have similar HECS fees. There are not too many similar. He talked about the US style. I have direct family in the United States, and they would die for this system because grandparents have to come onto the scene to help pay for their grandchildren's education in the US because it is just unaffordable for the parents.

The Labor Party can continue on with this hype about how it is going to be an elite system and cost students more money to get into the system when it does not cost them anything at all, and the degrees will be $100,000. Vicki Thomson, the Director of the Australian Technology Network of Universities, wrote an article with a headline that said 'Don't be fooled by "$100,000 degrees"'. She went on to say:

… the university sector is not looking to introduce standard $100,000 degrees and deregulation won’t deliver them.

The Australian Catholic University in their submission to the Senate say they do not anticipate a general or massive rise in university impositions on students. So let's get real.

Let me wrap up with this. I believe that this is all upside for the University of Tasmania. I am going to put on the record tonight that they have been dancing around a little bit with Senator Lambie over there in the Senate, thinking that they might be able to extract a little bit extra from the government, and good on them, but I want to say to the University of Tasmania: do not get left behind. There are opportunities. The glass is half full. It is not half empty. I again refer people to the speech of the member for Lyons some weeks ago. We have to take on this issue; otherwise, we are going backwards.

Do you know that, before Labor got its hands on the Treasury benches, education export or import—whichever way you want to think about education in this country, or overseas students coming to our country to take out their tertiary education—was the third biggest export item in this country's GDP? Under the watch of those opposite, it went backwards.

I want to finish with this: be very careful what the Labor Party wish for. Do you understand that, as we lessen our standards, we lose our attractiveness, lose our competitiveness and will lose those university students from overseas. Right now we do not subsidise them. They pay full fees, and those fees actually cross-subsidise the education of our young people. It is all very well to take the political pot shots, but this is the party that ripped $6.6 billion out of it when they last served in government. It is absolutely unbelievable. They have no shame to
think that they hold the higher ground on this debate when in fact they do not. I say to the people of Australia; reform is necessary, and we need to see it passed in the Senate as quickly as possible.

Ms O’NEIL (Hotham) (17:42): It is a pleasure to make some comments tonight on the Higher Education and Research Reform Bill 2014. Labor will be opposing this bill, and that is because this is the same toxic piece of public policy that it always has been. It is the same $100,000 degrees and will lead to the same settings that will prevent young people in my electorate of Hotham pursuing that dream of going to university.

Of course we are opposed to this bill because it flies in the face of everything we on this side of the House believe about education. As Labor people, it strikes right to the core of who we are and the country we represent. What those on the other side of the House will never understand is that education means everything to us as Labor people. This is how we make an equal Australia. This is how we ensure that our economy continues to grow. It is at the very heart of the Labor dream that a child that is growing up in my electorate, perhaps in a migrant home, can go to a good-quality public school and will have that great chance to go on to university and, hopefully, one day have the chance to do something like serve in a chamber like this. When we restrict access to university in the way this bill is proposing, we say that is not what we want in Australia anymore, that that is not the Australia we want to live in. Labor will not stand for that. We will not stand for extinguishing the opportunities for young people in that position.

That is why I am very confident that in standing up here and making these comments tonight I am reflecting the views in my community. When I talk to people in Hotham, this is really what they are worried about. They do not want to be in a situation where families right across the country have to think about starting savings accounts for their children when they are born to pay for their college education as we see so commonly in other parts of the world.

I will talk a little about some of the specifics of what is in the bill. I said that, essentially, it is the same package that we have been debating in this House. Unfortunately for those on the other side, it is a debate they have been losing for the last eight months. The same basic principle—that universities will be able to charge whatever they want for the studies they offer—will lead to $100,000 degrees.

We also know that this is going to have a particular impact on the sustainability of regional universities. It has been generally accepted in this debate that there are regional campuses that are going to have to close—again, not something that Labor is willing to put up with. We want young people from right around the country to be able to study, whether they live in regional areas or not.

What we will see as a consequence of this bill is a two-tiered education system—an education system where there are some universities that cater to wealthy Australians and that get themselves on the great world-class metrics, and other universities which are affordable universities. I think we know which ones the first class, best quality education is going to be delivered in.

There are one or two important changes that have been made in the legislation from the last draft that we considered as a House. One of the critical ones that I want to discuss in a little bit of detail is about the change to the way that the interest rate on student loans would be set.
We know that the initial proposal from the Minister for Education was that student debts would gain interest according to the bond rate, so this was a situation that would see a woman who went through university and perhaps studied engineering or even something like nursing, and who might take a few years out to look after children, then be in the position where she would never be able to pay the cost of her degree in her working lifetime. We saw particularly the impact that this would have on women because they were taking those years out of work.

In the legislation before us, we have seen the Minister for Education make a pretty significant change in policy, which is that, instead of setting the interest rate at the bond rate, it will go back to CPI. In some ways this is a significant shift, and in other ways it is not. We see that some of the gross unfairness of the rate that we were going to see people's debt rise by has been, in part, dealt with. I would say that all the things that I have talked about—the $100,000 degree and the threats to regional universities—will remain. But one of the things this does is blow a massive hole in the savings that were meant to be the result of the proposals before us. Instead of saving $3.9 billion each year, we save $0.4 billion each year. Let's just let that sink in: the minister went around and talked to everyone about the excitement of saving the budget and all the things that he was doing to try to get the budget under control, but nine out of 10 of those dollars are gone now because of this change. So this bill now makes all of those changes to our system, making our system so much more unfair and making access so much more limited, and yet we do not really make much in savings from it. So, if anything, this is actually an even worse piece of public policy than the one that the minister introduced in conjunction with the budget last year. I actually cannot believe it: the same terrible policy, and yet we make hardly any savings. This is absolutely ridiculous.

This is not all that the bill does. I want to speak in a little bit more detail about some of the specific additional things that I am concerned about here. As part of the policy framework here, we are seeing a $1.9 billion cut to Australian universities, we are seeing $171 million cut for equity programs, we are seeing a $200 million cut in indexation of grants programs and we are seeing $170 million in cuts to research training. Can you think of anything more economically backward than going around and cutting funding for our scientists and researchers, as this government seems to want to do? Another element I find particularly disturbing is that, for the first time in Australia, under this bill PhD students will be charged to study. These are the brightest minds in the country, and what we are doing is telling them that something they can do all over the world with subsidies from the university, because their research is so important, they are now going to be charged to do in Australia. In addition, we see $80 million in cuts for the Australian Research Council.

When you add all these things up, what I see here is pretty much the worst thing you could do to an economy that is in the position of Australia's economy now, especially when we think about the long term, because a lot of these proposals that I am finding so concerning—and it is on behalf of my constituents that I am making those views known tonight—are about the long term. This is a government that, we have seen, is taking away funding to scientists, funding to the CSIRO and funding for researchers and trying to put this additional cost on individuals who are going out and trying to get themselves educated.

What is so disturbing about this is that what we want to build Australia's economy in the long term is for every Australian to go as far in the education system as they can—as their wits will allow them—yet here we see an additional cost being imposed on every Australian
who wants to do that. What we want is for science to be supported so that we have something that we can rely on in the future when we are outside the context of a mining boom, as we will be very shortly. So I see this as being basically a disaster for the economy, especially when you take into account the context that the key savings measure is gone from this bill. I cannot believe it. I actually cannot believe that the minister is even putting this before the parliament.

We have talked about issues around the impact on the economy, and I mentioned particularly the long term, but of course the other critical thing for us Labor people is that this policy is just plain unfair. We need to remember that the cabinet that is putting this policy forward contains 12 people who went to university completely for free, yet what they are trying to do is put in place a policy that will ensure that other Australians not only do not get the opportunity for free education but do not get the opportunity for affordable education. This is just outrageous.

We are starting to hear a little bit of rhetoric from this government about intergenerational equality. I honestly do not know who these people think that they are fooling, because what they are doing is trying to charge younger generations of Australians for education, astronomically, putting prices on these degrees that many Australians will not be able to afford; not taking serious action on climate, allowing our environment to degrade; and taking away important things that will drive long-term economic growth in our country.

Under the policies, when you put them all together, we see that the vision that this government has for Australia is one that is less equal, is growing less quickly and has a degraded environment and a lower quality of life. I reject all of these things. What we need is to look after our next generation by investing in them—by giving them the skills and the capabilities that they need to build a great life for themselves. We are not going to do that by putting this extreme additional cost on getting themselves educated.

We have had the refuted argument from the other side—and I am sure we will hear more speakers talk about it—that this will not really make a difference and low-income families will not be deterred by $100,000 degrees—that this is untrue. That is absolutely not the case, because the argument that $100,000 degrees are not going to deter young people from studying defies expert opinion, and it defies common sense, I think, if you ask any Australian. Even in Australia, where we have seen fees changed over time, a recent study by Deloitte Access Economics found that past experiences of raising fees in Australia have seen an eight per cent decline in demand for education. What is quite interesting is that all of that decline in demand has come from young people from disadvantaged backgrounds.

I hear this reiterated by local principals that I talk to in my electorate, because their frustration at this policy is absolutely palpable. What they say to me is: 'The amounts that are being talked about’—this is a quote from one of my local principals—’will absolutely scare my students away. For these kids a sum like $100,000 is a TattsLotto win. It's an unimaginable amount of money.' What perhaps some on the other side of the House do not appreciate is that we have people who live in my community of Hotham, people who I come into this chamber every day to represent, who are on incomes that are less than half of what the degree will cost, supporting relatively large families. These families are not going to consider $100,000 to be a simply absorbable cost, as we might see from people in other electorates in other parts of Australia.
I know that, in the world that some other members may live in, everyone's parents are at home encouraging them about the importance of education and talking to them about their need to stay at school as long as they want, but there are lots of kids who live in my electorate who actually do not have their families saying that to them. They have families at home saying, 'Please, you need to be earning so you're helping our family now.' These are not families that are going to think that $100,000 is an amount of money that they can afford for their kids to go to university. That is just ridiculous.

Something else that I have talked about to local principals is that, for sure, there will be this shorter term impact on kids who are going into the end of their secondary years now, and of course they are not going to be as excited about going to university when they are going to be saddled with this enormous debt, but the principals are actually most concerned about a change to the culture over time. What these rules say to them is that education is for families who can deal with these amounts of money. Those families are not the ones that go to some of the schools in my electorate.

This policy says to us that this kind of scholarship scheme—which is the throwaway to the people who cannot afford through their families to pay fees—is going to resolve the equity question, but not all the kids in these schools are going to get these scholarships. It is saying to them that it is fine for families that can afford it. There is much broader access to education for those families. But, in these really struggling households, it is only a few of the best and brightest that will get to go to our best universities.

In Australia, this is just not how we do things, and I do not think that most Australians want to see that changed. We want our country to be a meritocracy. That is what Labor stands for. We want to live in a community and a society where young people all around the country believe that their skills and their capacities will be equally valued and that the government will be just as enthusiastic about getting the best out of those young people as they are about getting the best out of young people who are trying to get degrees but have families who are able to pay those exorbitant fees that we are going to see as a result of these policies.

This is absolutely anathema to the Australia that, as Labor people, we want to live in. I just say to those on the other side of the House that I can understand that, in different types of communities, you might not experience this. You might not have schools like those in the really disadvantaged parts of my electorate. But it is just the honest truth that, when I talk to those principals, they are extremely worried. They are extremely concerned. When I talk to young people who live in regional Australia, I hear the same types of messages. We know that there are lots of young people in regional communities who study at regional universities and who would not study were the university not there. We cannot just assume that all young people are equally mobile and able to move into the city when they want to take up that opportunity to go off to university.

I am really proud to stand today and say that, on behalf of the people of Hotham, I absolutely oppose the measures in this bill. It is bad policy. It was bad policy to begin with, made perhaps only worse by the fact that the savings measures in this bill, by and large, are now gone. So now we have a dramatic change to the way education is funded in Australia that puts costs onto families and costs onto students, and we do not get much back by way of savings. It was bad policy to begin with; it is bad policy now, and I am proud to say that I do not support it.
Mr TAYLOR (Hume) (17:57): I rise to support the measures in the Higher Education and Research Reform Bill 2014. Of course, I spoke on this legislation when it was first introduced in the parliament and am deeply committed to these very important reforms. In fact, it has been really galling to listen to that fact-free moralising and fearmongering that we have had constantly from those opposite in regard to this bill—a bill, by the way, which is supported by all of the vice-chancellors of the G8 universities and most of the vice-chancellors across Australia. There is extraordinary support because this is so fundamental, significant and necessary for students and the university sector. The absolute lack of understanding of this sector that I hear from those opposite, who claim to really understand it, is just so galling. We have to go right back to basics and understand what is going on here. What do we need from our university sector, and what is going on there that is so critical that requires these reforms?

Let me start with the student side of the equation, which is the demand driven model that we have moved towards, which this government supports and which is so fundamental to the need to change the way we regulate and fund our university degrees. In 2012, of course, the government lifted previously imposed limits on the bachelor degree student numbers and moved to this demand driven system. It replaced a supply driven system, one which I grew up with and which I went to university with.

The new policy has been successful in increasing student numbers, and of course that is part of a much longer term trend increase in student numbers that we have seen for a long time now. In fact, we now have over a million Australian students enrolled in our universities. I was interested to see how that compared with the time when I went to university. I started in 1986, when it was 400,000. We have had a 250 per cent increase. Anyone who tells you that we have not worked out with fee-paying students and with HECS—HECS came in in the time that I was at university—anyone who says that we do not know how to increase access or that we have not done it effectively, is absolutely kidding themselves. We have seen this 250 per cent increase. I sat down and looked at what the growth rate was and it turns out that is 4½ per cent a year. What an extraordinary outcome.

Of course part of that process was Labor introducing HECS. Now they are talking about free education for all. It is extraordinary. I think they are going to wind it back if they get back into government. It seems to me to be the only logical conclusion from where they have been going.

There is one thing I agree with the member for Hotham about—and there is not much that she says that I do agree with—there is nothing more important than increasing access to education. But that is not because, as she said, we want Australia to be equal—only a communist would believe that equality was actually the objective—we want equality of opportunity, and reform in our sector is fundamental to achieving that.

The thing you have to remember is that the demand driven system has increased the cost of education for all taxpayers whether they went to university or not. The losers in that equation are those who have not gone to university and will never go to university. Yes, there are spin-off benefits from high numbers of students or enrolments in our universities, spin-offs to all Australians, and that is why the federal government should and will continue to pay a significant part of the cost of university education. But the idea that students should not pay their fair share is ludicrous and a slap in the face to the majority of Australians who are not
receiving and will not receive a university education. I hear that every day in my electorate. It is absolutely appropriate that people make that all-important point.

Let me move to the second big trend we are seeing in our university sector, and that is intensifying global competition. Those opposite seem to want to put their heads in the sand when it comes to the global competition we are facing in our university sector. We heard from one of the earlier speakers on this side of the House that this is now our third-largest export. And what an extraordinary export opportunity we have tapped into here. When I started university—as I said, in 1986—the number of international students was almost insignificant. By 2013 the number of international students exceeded 300,000—or about 25 per cent of student enrolments.

To put this into perspective, though, the competition we face across the world is extraordinary. There are more students enrolled in China this year than the total population of Australia. That is what we are up against. Leading universities around the world, including my old university of Oxford, are fighting extremely hard for students, and Australian universities are competing head to head with these international universities. And, as I said, we cannot put our heads in the sand.

Heavy regulation of a sector engaged in ferocious global competition just does not make sense. We are handcuffing our universities at a time when they need to be liberated; unless we want those universities to lose in that global competition. But the cost of that will be enormous for all Australian university goers and for all Australians, because we must remember, as we heard from an earlier speaker, that there is a large cross-subsidy from those international students to our domestic students. So we cannot afford to lose them. Under Labor we were starting to lose them; we were certainly starting to see a big slow-down in growth in the number of international students. We cannot afford for that to continue. We need to free up our universities to compete in that ferocious global market place.

The third major trend at work in our university system is the extraordinary distortion we create from the regulation we have in place now, and particularly the fee regulation. It is heavy-handed. The government effectively sets the fees, with limited knowledge—as governments always have—of the costs of providing those courses. You do not have to be a particularly good economist to know that that is going to cause some huge distortions in the way universities behave. In fact the results can be simply awful.

Some universities focus on driving large numbers of students through the most profitable degrees, often in the social sciences and humanities, because they are cheap degrees and the fees have been set at a level where the universities can make a lot of money. Kids are being encouraged to do degrees where job opportunities are limited. So, with the way the system works now, it is great for a university to pump people through an arts degree where there are no job opportunities at the end for those kids. They get the money, but the student does not get the right education. So we have a huge distortion in the system.

The flipside of that is that there is an incentive to minimise the students going through degrees that make a loss. They tend to be in the science areas. In fact, we have seen an extraordinarily vivid example of this in agriculture. An agriculture degree is very expensive for the university, because it is scientific. Every student that goes through an agriculture degree loses money for the university. So what do universities do? They cut the numbers. We got down to the point where we were seeing less than 40 per cent of the number of students
graduating from agriculture than was the case five years earlier. And this is at a time when one of the biggest opportunities for Australia is in agriculture. What an extraordinary distortion, and it is all caused by this heavy-handed regulation, which we need to see the end of.

At the same time, the universities have very little incentive to innovate in price and content of courses. At a time when technology is absolutely revolutionising so many industries—and few more than education, if only through online lectures and tutorials—there is a clear opportunity to leverage technology to provide new types of courses, particularly at lower costs than the regulated fees. However, the incentive to do this is limited in the current system. So, by freeing it up, we will encourage enormous innovation, which we are seeing at work across the university sector throughout the world.

The fourth major challenge at work, driving these reforms, is the challenge to our budget. The member for Hotham makes the cardinal error that Labor keeps making in thinking about the budget: they only ever focus on the next four years.

But the problem with our budget is primarily about what is beyond the next four years. Quite simply, if you run expenditure growth at a rate faster than GDP you have to keep raising taxes forever—every year! What Labor did—and the Parliamentary Budget Office gives us the numbers—was to lock in 3.6 per cent. No economist will tell you that we can possibly reach growth rates of 3.6 per cent. So, what does that mean? Do we keep raising taxes every year? We could get it through bracket creep, but we are probably going to need more. We will probably have to raise the GST forever more. And you can get up to extraordinary numbers by 2030—I am sure we will see these in Intergenerational report—if you allow those locked-in expenditure growth areas that Labor committed to continue.

So, we have to look—as we are—beyond the forward estimates to that long-term sustainability of our budget. And, of course, one of the fastest-growing costs in our budget—because of the demand-driven system—is higher education. So, we have no choice. We have to contain it; we have to get our costs down to a level at, or preferably below, GDP—to, say, two or 2½ per cent—if we are not only to prevent increasing taxes or a Greek-style debt blowout but to ensure that we get the debt and deficit that we already have under control.

The benefits of this legislation will help in all of those areas. For students, it will provide greater opportunity to gain a higher education, with around 80,000 more Australians able to access Commonwealth funding—and that includes Commonwealth supported places for all Australian undergraduate students at all registered higher education institutions. They will continue to have access to HECS, or HELP as it is now and, of course, the interest rate on that will not change.

What is particularly important to me in this legislation is that we are establishing new Commonwealth scholarships. I hear every day from the parents of students and students that come from my electorate in regional areas that the biggest barrier to them going to university has nothing to do with the fees—absolutely nothing to do with the fees! It is the cost of picking up, leaving home and getting accommodation in Sydney, or Wollongong, or Wagga or wherever it is that they go to university. That is the barrier, and what we are proposing in this legislation are Commonwealth scholarships which will contribute to solving that most
fundamental problem for regional students—a problem that those on the other side of the House do not recognise.

The legislation provides for the universities to set their own fees and in this way compete for students, not only in offering the course but the price of the course. I am very confident from evidence we have seen elsewhere—and I will talk about some of that in a moment—that this will enhance the quality of the courses offered, making higher education providers much more responsive to the market and to the needs of students. Domestic fees will be required to be lower than international student fees, minus the Commonwealth subsidy. And, as part of the fee deregulation, the government will also direct the ACCC to monitor university fees. We know they have done a good job on this with energy and I am confident they will do a very good job with the university sector as well.

One of the points that is lost in this debate by those opposite, is that when you look at the deregulated part of the sector that we already have, which is post-graduate and international students, the vast majority of courses for those students are within a modest fee range of $10,00 to $30,000—$100,000 is not even in sight! Where this number comes from is just classic Labor fearmongering—fearmongering which is deliberately designed to ensure that the future of this country is undermined in an incredibly important area: higher education.

With that in mind, we need to remember that no government can afford, without raising taxes or cutting other services, to keep expanding student participation without a complete blow-out. All the higher education peak bodies in Australia that represent universities, TAFEs and private higher education providers agree that reform of the current system is absolutely necessary.

These changes will mean that students will be able to get an education of the quality they need—a truly world-class education in the courses they want and with the support they want. I commend this bill to the House.

Mr RIPOLL (Oxley) (18:12): I rise to speak on the Higher Education and Research Reform Bill 2014. While the Prime Minister struggles with his own chaos and disunity created by himself, while the Minister for Education struggles for support for his higher education changes and to convince anybody that they are of any value and while the government struggles with any coherent argument about how you could support and grow our innovative opportunities and our capacity to grow our economy—while the government clearly struggles with all these things—what we find is that universities and students also continue to struggle.

They continue to struggle with uncertainty from this Liberal government, the threat of less funding for the universities and the threat of a deregulated education market that, in the end, will shift the focus away from education as it should be in a system that does work. It is a system that does deliver; a system that, even though it is not free, does deliver in a reasonable cost space for a reasonable method of payment good-quality Australian education degrees. It shifts all that focus away towards a new base, based on pricing, on prestige and on profits.

It is not outrageous to say, as some members would contend, that this new proposal for a highly deregulated market in higher education would cause university degrees to cost up to $100,000 and beyond; that it would shift the focus away from an equitable base to the bigger universities working much more on profit and looking at how they can maximise what they
deliver through the popular courses—the courses that people are prepared to pay more for; and also shift the focus away from merit-based selection criteria to ability-to-pay criteria and a whole range of other issues, especially for the regional universities in being able to deal with this massive change which would disadvantage them. I think if you spoke to anybody in regional areas and regional universities that you could see this proposed deregulatory change from the government is problematic for them. The prestigious universities, the universities in big cities are always going to have some sort of natural geographical advantage but under these so-called reforms from the government they would have a further advantage as well.

Labor made it clear when Labor leader Bill Shorten said that only through education will Australia fully develop its economic potential, its scientific potential, its artistic potential and in fact its people's potential. The Prime Minister's $5 billion in cuts to higher education are so destructive. It marks the end of Australia's fair and equitable higher education system. The cuts will bring down the curtain on the legacy put in place by the Whitlam reforms to higher education. Labor has made it very clear in this place and has made it very clear outside publicly that we will vote against these cuts to university funding and student support. Labor will not support a system of higher fees, of bigger student debt, of reduced access and of greater inequality. We will never tell Australians that the quality of their education depends on their capacity to pay.

I am certain that Labor's position is very clear. I am not so certain that the government's position is clear though. I am not so certain and I do not think the community is so certain that Liberal members of parliament are so certain as to what their position is on these particular bills because they do seem to shift and move over periods of time. But I can guarantee this House that Labor is certain that it will oppose these measures. Labor is opposing cutting public funding to undergraduate courses by up to a 30 per cent because it is a bad idea, as simple as that.

Labor opposes any move that puts pressure upwards on the cost of degrees to $100,000, which is a likely outcome and one which we would see because we have international experience. We can look to other markets, other jurisdictions. We can look to what has happened in similar markets. Whether it is the United States of America, the United Kingdom or other places, we do not support those types of systems of higher education. We do not support what we have been calling the Americanisation of our world-class university system.

This is something that ordinary people actually do get. They do understand this. Australians also oppose this because they understand the value of universities. They understand the value of university education. In fact they understand the value of education more broadly. Whether it is at a primary level, a secondary level, a tertiary level, a TAFE level or whether it is at all those levels, there is a really clear distinction in my mind and in the minds of Australians that it is Labor that stands up for all of those sectors of our education system.

Labor's record is clear. Labor supports those sectors not only through good laws, support and regulation but also through good funding. It is really clear to the Australian people and clear to the people of Queensland just recently that when you slash and burn your TAFE system, which provides a very important segment of our education system, or when you put pressure on universities, on the education system and on schools, the community does not support it. I think the community is pretty smart. If I were to decide on which way I would
fall on who is smarter between the current Liberal government in Canberra with Tony Abbott and his ministers or Campbell Newman as premier in Queensland and his ministers or the Australian people and the Queensland people, I would go with the Australian people and the Queensland people every time because I reckon they got it right.

If we were to look at this more philosophically, what is the Australian dream? It could be a lot of things such as owning your own home or having a block of land—that may have changed slightly in recent times as demographics change and the world changes. But something that has not changed is that my parents and their generation did not get a university education. They either could not get access, they were never really in a position where that was a viable option or they just simply could not afford it in their generation. I think that is a common story for many Australians be they migrants or people who were born in Australia.

Many of us in this place were the first of our families to get a university education. It was certainly the case in my family. I was the first to get a university education. For many people on both sides—I do not make this as a political statement as such—it really was that great Australian dream that your children would do better than you did. One of the ways—I am not saying it was the only way—you could do that was by having one of your kids go to university because you understood what that meant.

Particularly in the context of the modern world, the jobs of the future will be more difficult to attain in the sense that you will need a higher education—be that year 12, be it TAFE, be it some sort of further vocational training, be it university or a masters degree or postgraduate degree or a doctorate or whatever. Everyone understands that jobs of the future will involve people getting further education and higher education. What governments should do is underpin the systems that deliver in the public interest for public good, not for a profit motive, a budgetary motive or some other motive.

I do not subscribe to some of the views I have heard from government members about escalating costs and fees. If you subscribe to the view that 'We cannot afford this,' then we cannot afford anything. Because they are the same excuses, the same arguments and the same tired words that are used for every single debate. For every single argument they say, 'We cannot afford this.' I am afraid that is not right in this area because we can afford it. We have a system where it is not free. It is not just borne by the taxpayer as a free system. It is not the case that we cannot afford it. The case is people do make a contribution. They do not pay for all of their education. Work necessarily does need to be done in these areas.

I have a view that says we have to look at how we make education sustainable in the future. It is not that that it is not sustainable. We should always be looking at these things. Labor understands that; we get that. We should not lose sight of the facts that what our current system delivers is something unique in the world. It is something that delivers for our economy and it is something that delivers a great deal more than can be measured in simple terms like budgets. For Australia to grow our economy and to compete, we need a strong, healthy higher education system that is affordable, that focuses on merit and outcomes. If you work hard at school, regardless of your background or your capacity to pay, you will have the same opportunity to get to university as everyone else. That is the principle that should apply to all of us and it should be applied rigorously.

Australia does do well at the international level. We may not have the most prestigious universities in the world, but we probably have one of the most equitable higher education
systems and some of the best outcomes in the world. There are some areas in which we will never be able to compete, but in education we can not only compete but excel. It is evident to anyone who looks at our export earnings that education is one of our great success stories. We should not be saddling students with crippling debt, as this government proposes. Some students would carry that debt for many years of their working lives. Some people would make choices and decisions about their career based on the debt they face, rather than pursuing something they might excel in or prefer as a career path. They might also make different decisions about having a family or buying a house, but these are not decisions that people should make when it comes to their education. There is no doubt that change is constant in technology and a range of other things, and this will have an impact on the way education services are provided, but such matters should not be used in this debate as an excuse for making things more expensive.

This government has struggled in explaining things to the Australian people—whether it be the Medicare co-payment or further deregulation of university fees or any other area. They need to make a coherent argument. I heard the previous speaker say, 'If we apply the same principles as we did in the deregulation of the energy market, what great success we would have in education.' Might I remind the member, and anybody else listening, that success in the energy market has only meant continually-spiralling upward costs for the householder. I am not necessarily opposed to deregulation in some forms; in some cases privatisation might be a good thing. There are areas where it has worked in the past, though energy has not been one of them. What was the outcome of energy deregulation? Costs in Queensland, for example, have increased by 70 per cent and they continue to rise. It has not been good for the consumer; it has not even been good for the national grid or the way we deliver energy.

I would say there is a big lesson to be learnt from that. Before we apply the same pressure or structural impost on education, we should take a very close look at the damage that could be done. If there were any area of our economy that I would look closely at, it would be energy markets. I would say: 'We want to learn from the mistakes that have happened there and we want to make sure that we don't repeat those mistakes and we certainly don't want them in our education system.' There is enough evidence, though that evidence is being ignored by the government, and that is because the government is taking an ideological approach, rather than an evidence based approach. They have an ideological view about what our higher education system should like—even what our schools should look like. This government talks about red-tape reduction, freedom and so on, but what it does in practice is quite the opposite. It wants to dictate to the university sector and to students how much they should pay and where they should pay it. If you research this area, you will find evidence from the earlier deregulation of the higher education sector that there were limits on what students could pay, but under that old system it was suggested that fees could be lowered. The argument from the education minister at the time, Brendan Nelson, was that fees would come down, but the evidence is 100 per cent the opposite: no fees came down and no-one got better value. In fact, everything went up and that is exactly what will happen with this scheme, and that is why Labor will oppose this very bad policy.

Mr FLETCHER (Bradfield—Parliamentary Secretary to the Minister for Communications) (18:27): I am pleased to rise to speak on the Higher Education and Research Reform Amendment Bill 2014. This is an important bill which will expand
opportunities for students, in particular disadvantaged and rural and regional students, and
ensure that Australia has a world-class tertiary education system.

This bill has been significantly amended, when compared to the bill that went through the
House of Representatives but not the Senate last year, but nevertheless it preserves the
essential elements of the higher education reform policy package, which the Abbott
government and Minister Pyne are pursuing.

In the time available to me this evening, I want to make three arguments: firstly, that
universities are critical to our national economic performance; secondly, that today Australian
universities are seriously constrained in the way that they operate; and, thirdly, that the
changes embodied in the bill before the House will free up universities to be more
competitive, more flexible and, in turn, to be higher performing.

Let me turn firstly to the point that universities are critical to our national economic
performance. You need only look at some of the indicators of the economic importance and
significance of universities. There is evidence that improved investment in education delivers
significant economic returns. The OECD has estimated a net present value of around
$104,000 per man and $71,000 per woman who are university educated, attributed mainly to
the higher lifetime taxes paid by a university graduate in excess of the direct costs of funding
the additional university place. I hasten to add that the difference between the two f
igures for
a man and a woman reflects the time that women typically take out of the workforce to look
after children.

Secondly, universities play a very important role as an employer. According to a policy
note issued by the Group of Eight universities, in 2012 there were more than 112,000 full-
time equivalent employees in the public higher education system, and that system generated
around $25 billion of revenue.

Another important argument as regards the economic importance of universities is the
return on investment in research and development. The Universities Australia pre-budget
submission in 2014 looked at a large number of studies conducted in a wide range of
countries over a 30-year period to the mid-1990s. These studies consistently found that the
rate of return on investment in research and development is high. Equally important, of
course, is the fact that innovation from research and development—in which universities play
a key role—is a very important driver of per capita income growth, increasing productivity
and living standards.

I think we can cast some further light on this subject of the importance of universities to
economic performance by considering the experience of the United States, a country which is
widely recognised as having the best research universities in the world. I want to refer to a
very interesting book written by Jonathan Cole, the former provost of Columbia University,
etitled The Great American University: Its Rise to Preeminence, Its Indispensable National
Role, Why It Must Be Protected. In his book, Dr Cole notes that, as at 2009, 40 of the top 50
universities in the world were in the United States, according to a research based assessment
from the Shanghai Jiao Tong University. He notes that, since the 1930s, around 60 per cent of
all Nobel prizes have gone to Americans and that a very high proportion of leading new
industries in the United States—perhaps as many as 80 per cent—are derived from
discoveries at US universities. He cites the laser, FM radio, the Google Search algorithm,
GPS, DNA and fingerprinting, just to name a few. He had this to say:
… universities have evolved into creative machines unlike any other that we have known in our history—cranking out information and discoveries in a society increasingly dependent on knowledge as the source for its growth.

I think there are some important lessons for the Australian higher education sector in the observations made in this book regarding the importance of higher education in contributing to national economic competitiveness.

My views in this area were strengthened when I had the good fortune to visit Silicon Valley at the start of the year and, amongst other things, to attend a presentation given by Coursera—the well-known although relatively new company established by two Stanford University computer science professors. It operates MOOCs, Massive Online Open Courses, which allows millions of students to take courses online from well-known academics at Stanford and other prestigious universities around the world, including Melbourne University, the University of New South Wales and the University of Western Australia. These are exciting developments for the universities involved, but they also mean that every university needs to think very carefully about its competitiveness, including its competitiveness internationally, what its position is in the market and how it is to sustain that position.

I think the other important and interesting lesson to draw from the US experience is the importance of private funding as part of the overall funding mix in the US system. According to a 2013 document issued by the OECD, *Indicators: education at a glance*, US expenditure on tertiary education as a percentage of gross domestic product is significantly higher than the OECD average, but a significant proportion of that expenditure comes from private sources as opposed to government funding. In Australia, our total expenditure on tertiary education as a percentage of GDP is much lower than in the US. If we can get more funding into our system from private sources, we can increase total funding into the university system, we can make our university system stronger and we can make it a more important contributor than it already is to economic performance and innovation—something which is so critical to the modern knowledge economy.

The other trend which clearly emerges from the OECD work is that there is a substantial level of private funding at the tertiary level across most OECD countries and over time that is growing. That of course is no surprise. Despite the wishful thinking we hear from speakers from the other side of the chamber, no government is in a position to fund without limit its tertiary education system when it faces so many other demands on the public purse. Governments around the world are facing many of the same issues as the Australian government in terms of how to achieve the continued growth of the education system, how to allow it to meet the needs of an ever-growing proportion of the population and how that is to be funded. The previous government had no plan to deal with that. This bill embodies a plan to deal with that issue.

This brings me to my second point, which is that, thanks to the incompetence of the previous government, universities in Australia today are seriously constrained in how they operate. Under the previous Labor government we saw an uncapping of Commonwealth supported places. That was a sensible thing to do, as far as it went, and this government is maintaining the demand-driven system. But, in the deregulation of student numbers, the previous Labor government did only half the job—they failed to deregulate the setting of fees. In other words, they deregulated quantity but not price. It was a half-hearted attempt at
deregulation. The consequences of this are very significant. Universities today have little scope to differentiate or, should they be in a position to do so, they have little scope to capture a premium for being able to offer a premium product.

At the other end of the spectrum, the current system discourages universities from choosing to discount or to compete on price. As a corollary of the current arrangements, there is very heavy reliance on international student fees as the principal area where universities are relatively free in their price setting. Ian Young, then vice-chancellor of the Australian National University, had this to say last year in remarks which I think sum up the position very well:

We have universities that enrol large numbers of students, teach them as cheaply as possible, and then use the income to cover both education costs and meet the shortfall in research funding.

He went on to say:

This is why our major research universities typically have student populations of more than 40,000 students. Compare that to Stanford with 15,000 students, Cambridge with 18,000, Tokyo with 28,000, ETH Zurich with 18,000 and the outstanding Caltech with only 2200 students.

As the G8 universities have pointed out in a recent research paper, much of the problem we face goes back to Gough Whitlam. Whitlam set an expectation that the costs of those who benefit personally from higher education should be paid substantially by those who do not. In doing that, he markedly changed the principle which had for a long time previously applied to higher education in Australia—namely, because students derive very substantial private benefit from having a degree due to their increased earning power, it is fair that they contribute towards the cost of the degree. We are left today with a system which continues to be in large measure a legacy of Whitlam, in which by far the largest source of funding for universities is government. This creates significant constraints on universities at a time when they face ever more intense global competition. We should be concerned that many top-ranking Australian universities are slipping in international ranks year-on-year. This brings me to the third area I want to address: the way that the government's changes embodied in this bill will free up universities to be more competitive and flexible and, hence, higher performing.

The deregulation embodied in this bill is a logical next step in an ongoing reform process. It will give universities more autonomy and flexibility, and they will be free to compete on price and course offerings. To again quote Ian Young:

Deregulation will enable universities to differentiate, to play to their strengths.

The measures contained in this bill are consistent with the course of higher education policy development in Australia over the last 30 years. They arise from a path of incremental steps that have been taken over time to improve responsiveness to changing education policy.

I do want to emphasise that, despite some of the rhetoric that we have heard from the other side of the House, this package contains a number of very important equity and fairness measures. The bill, as amended, will introduce a dedicated scholarship fund for universities with high proportions of low-socioeconomic status students that will be funded directly by the Commonwealth, and that will be on top of university based scholarships. This will add to the already generous Commonwealth scholarship scheme proposed, with an additional package of scholarships funded by the Commonwealth. This will mean that thousands of students from
disadvantaged backgrounds and in rural and regional communities will have even more help to get to university, particularly in their local area.

The Commonwealth will for the first time be supporting all Australian undergraduate students in all registered higher education diplomas, advanced diplomas and associate degrees as well as in bachelor degrees. The Vice-Chancellor of the Australian Catholic University, Greg Craven, in an article in *The Australian* last year addressed some of the overstated and overblown claims that have been made about the equity impacts of the measures the government is pursuing. Speaking of education minister Christopher Pyne, he said:

... Pyne has retained and extended Labor's great initiative: open university entry for every qualified person, under the demand-driven system. In real equity terms, it is much more important the kid from Panania gets their chance than the price of decorative arts-law at Sydney stays steady.

As a graduate in arts law from Sydney University myself, I thought that particular rhetorical flourish was a little cruel. Greg Craven further said:

... in a scarcely remarked move, Pyne has moved decisively to protect students entering lowly paid but socially vital professions. Yes, public support for students will decrease overall, but the cut to nurses and teachers, for example, will be noticeably less, recognising their relatively limited earning opportunities, as well as the comparatively low cost of providing their degrees.

That is an important recognition from the vice-chancellor of a university which, as he notes in his article, educates quite a number of Australia's nurses and teachers. That is an important recognition of the equity aspects of the package before the House and highlights the point that some of the criticisms that have been made of the equity implications of the package are very much overblown.

This bill contains some important additional safeguards—for example, by amending legislative guidelines so domestic fees are lower than international fees. The government has committed to maintaining the HELP loan scheme so that no student need pay a cent up-front for their higher education until they graduate and are earning a decent income—over $50,000 a year—as a result of their education.

Finally, much of that overblown commentary about the equity implications of this package tends to ignore the reality that the universities will be operating in a competitive market; they will face a market discipline. It will not be open to a university to set fees which are conspicuously above those charged by its competitors. They will be subject to the same market disciplines as anybody operating in a market.

The package before the House, including the elements that have been added as compared to the earlier version of the bill that passed this House last year, is very important and continues a reform direction in education that has been underway for some time. This package recognises the importance of our universities being high performing. It recognises the importance of universities being free to chart their own course and gives them much greater freedom to do that than they have had under the previous heavily regulated arrangements. That is important for universities, that is important for students but, most of all, it is important for our national economic performance because universities are such a critical part of our economy.

Mr SNOWDON (Lingiari) (18:42): I am pleased to participate in this debate on the Higher Education and Research Reform Bill 2014. I will make some comments about the contributions of the member for Bradfield and the member for Hume in the course of my
contribution. I am not sure if the member for Bradfield recognises the internal contradictions of his contribution; nevertheless, I think it should be obvious to those who listen to this debate. I was a bit amazed that somehow or other we are in this position because of Gough Whitlam, that he had the temerity to reform the university system and open it up to Australians who would hitherto have not had access. How dare he. Now we are in a position where, as a result of Gough Whitlam, we need to charge students up to $100,000 for degrees! That makes sense! That's all Gough's fault! It ain't Gough's fault.

These decisions are being made by the Abbott government and Australians who are thinking about these issues know what the impact will be on them. What surprises me somewhat is the apparent lack of awareness of how poisoned this proposal is within the broader community. I hope this is not the truth, but I am assuming that when government members get up to speak about this bill and when they talk to people in their home communities, they say they 100 per cent support it because, clearly, the intend to vote for it. Yet they know that when they talk to people in their electorates, whether or not they are aspirants to a degree themselves or for their families, they are most concerned about these proposals. It is just another feature of a budget—yet to be finally passed through this parliament—which demonstrates to the community how out of touch the government is. The member for Hume said, 'Only communists would say that equality should be an objective.' I am not quite sure what he meant; but what we are talking about is something we would all agree upon—equality of opportunity and equality of access; the ability to be able to attend a higher education institution without being penalised because of who you are, where you come from or your family background. But that is precisely what these proposals before us will do.

Again, the member for Hume, when he gave his contribution, talked about market distortions and the fact that Australians who do not go to universities do not benefit from the university system—although indirectly, of course, they do; and he said that. What he does not understand and clearly has not bothered to think about is that working people in this country have aspirations for their children. Whether or not they themselves have been to university, most Australians see the pinnacle of higher education as an aspiration they want for their families and their children. Most of them see that; yet what this government is doing is saying, 'Don't look too closely, because if you do you will need to be prepared to pay potentially huge amounts of money and leave university with a mortgage.'

The member for Hotham, I thought, made a very good contribution. In her contribution she said, among other things, that there are many people in her own electorate—and this is true of mine; I am not sure about the member for Bradfield's—who are working Australians and working families with incomes which are equal to half of a $100,000 university degree. The prospect of their children going to university and potentially paying up to $100,000 for a degree is beyond their contemplation, as it is for those students. The member for Hotham made some very interesting points. She observed that Deloitte Access Economics provided information about how, when university fees were increased in the past, demand for those university places decreased by eight per cent, and that all the decline in demand for those places was among students from lower socioeconomic backgrounds. Doesn't that tell you something?

If members opposite had anything but tin ears they would know that, in their own electorates, working families do not want this bill. They do not want this bill because they see
it as frustrating their aspirations for their families and their children's families. It is worse if you live in a regional or remote part of this country, as I do. I do not know who the member for Hume talks to in his electorate, but he said that the show stopper for families in his electorate was not fees, it was the cost of relocation and setting up a new place of accommodation in a major city when moving to go to university. It is true that one of the inhibiting factors that confronts families from regional and remote parts of this country is the cost of relocation to go to university; but it is also true that, for many, the contemplation of higher university fees is a massive disincentive and will ultimately lead them to make decisions which will mean their children do not go to university.

We have heard that somehow or another all undergraduates in this country should be happy about this government. I heard, again, the member for Hume talk about postgraduate degrees only costing $10,000 to $30,000 dollars. Let us just ask this simple question. In Australia we have emerging, in some universities, what is called the Melbourne model. The Melbourne model is one where, to do a professional degree, you need to do a generalist degree in the first instance. So if you go to Melbourne university and you aspire to be a lawyer, you need to do a pass degree—a science or an arts based degree; one which is of broader scope and designed to teach you to think, be creative and learn new disciplines. Once you have done that degree, having paid the HECS for that degree, you are then entitled—lucky you!—to do a professional degree, say, a JD or a medical degree or an engineering degree; a postgraduate degree for which you will also pay. So by the time you get to earning any sort of income you have the HECS bill for your pass degree and the bill for your postgraduate degree. Combine the two together: if it is $10,000, $30,000 or $40,000 for the postgraduate degree, and it is $50,000, $60,000 or $70,000 for the pass degree, depending on what the degree is, then you are saddled with an enormous whack of money to be returned via the HECS system at a later point. Is that fair? Is it reasonable? I say that it is not, and we on this side of the parliament do not believe it is something we should be saddling the Australian community with.

It is no wonder we are seeing the disputes happening opposite around the leadership and the other internecine discussions taking place within their party room and throughout their party across the nation. Most of it is due to their stupidity—their inability to understand what the Australian community demands of them or how stupid some of their policy initiatives have been, including this one. They know that this is poison in their electorates. How self-serving is it, I say to members opposite, that you should be supporting a prime minister, a treasurer and an education minister who say to you: 'Go out and canvass support for this proposal which will potentially disadvantage working people and their children in your electorates.' You are doing that with such gusto; it is working very well for you! We know what is going on; you are just too blind to see it.

Let me go to the issue of regional universities. These reforms are especially damaging for students from regional, rural and remote locales and the universities that service them. In the Northern Territory, Charles Darwin University faces a 20 per cent cut to its Commonwealth grants funding—and in their case that is a bit over $50 million over the period from 2016 to 2019; the abolition of student start-up scholarships; changes to the relocation scholarships and other equity programs—about $800 million nationally; a 10 per cent cut to research training funding—about $170 million nationally; and a substantial cut in indexation to the university grants—another $200 million nationally.
The minister claims that regional universities will be advantaged by record levels of new Commonwealth scholarships. I do not accept that. I do not believe any potential student or current student of regional universities believes it either. That is your problem—no-one believes you. In the Northern Territory's case, Charles Darwin University has a 75 per cent mature age student cohort. They are 25 years and older, so they are working people. These are people who have decided to go back to university after many of them have started a family. They already potentially have significant debt—a mortgage. We are saying to them: 'For the privilege of bettering yourself, improving your opportunities, creating better opportunities for the Australian economy by you getting an education and being more productive, you now have the privilege of compounding your home mortgage with a mortgage for your education.' That is a massive disincentive for mature age students to return to university. In a country like Australia students should never be dissuaded from further study because of the risk of crippling debt repayments.

Regional universities enrol well above the sector average when it comes to the proportion of domestic students who are Aboriginal or Torres Strait Islander, who come from a low-SES background and who come from rural and regional areas. For example, in Charles Darwin University's case their Aboriginal enrolment is 7.3 per cent and, in contrast, Monash University's is 0.4 per cent. At CDU the low-SES student cohort is 19.6 per cent and at Sydney University it is 7.8 per cent. Regional and remote students in the Northern Territory are 63 per cent and at Macquarie University, by contrast, are 5.9 per cent. These are different places. They are not like the University of Sydney and not like the University of Melbourne. They are not like those universities. Charles Darwin University is unique in its own way, as other regional universities are.

The member for Bradfield said something that actually did make sense. Not a lot of it made sense, but this particular point did make sense. He made the observation—and I agree with it—that Australia's public investment in tertiary education as a proportion of GDP has been lower than other developed countries, including the United States. The member for Bradfield went on to say that this was largely because there were private contributions to the university sector in the United States far in excess of what is given here in Australia. That is true, but it is a bit counterintuitive, isn't it? You cannot on the one hand say that they are better off because there is private sector funding and then say that, because there is no private sector funding in the Australian system, the people who should pay should be the students. I say we should go out and get more private sector funding. Let us get more research funding from the private sector. Let them wear a greater burden of the cost of research that they benefit from either directly or indirectly.

This bill is a bad bill. This bill should not be supported by this parliament. This bill is not supported by the people in my electorate and, Mr Deputy Speaker Kelly, I am sure by the people in yours. I commend the opposition's position of opposing this legislation.

Mrs MARKUS (Macquarie) (18:57): I rise today to speak on the importance of the Higher Education and Research Reform Bill 2014. This bill will see a new higher education system which is necessary to make possible world-class education that Australian students want and deserve. Education breeds confidence. It unlocks the door to knowledge, possibilities, growth and employment, and where there is employment there are further
opportunities. This bill will for the first time cast the blanket of opportunity further by offering more people in our community the chance to access an education.

This bill, through the deregulation of fees and under the careful watch of the Australian Competition and Consumer Commission, will give universities the certainty they require to be international leaders in higher education, our nation’s third largest export. It will allow the largest Commonwealth scholarship program ever to assist students from disadvantaged backgrounds and from regional and rural communities. Some 80,000 students studying in vocational education and training will benefit from the abolition of the 20 per cent loan fee for VET FEE-HELP and another 50,000 students will benefit from the abolition of the 25 per cent loan fee for FEE-HELP.

For student primary carers—that is, mum or dads of children aged less than five years of age—earning less than the minimum repayment threshold it will introduce an interest rate pause on debts. And university students will continue to receive a first-class higher education. Reform will strengthen Higher Education Loans, HELP, which sees the taxpayer support all students’ tuition fees upfront and ensures that students have no upfront barriers and only repaying their loans once they are earning a decent income of more than $50,000 a year as a result of their education.

Our education minister has listened and the government has agreed to amendments to the bill to maintain the HECS indexation rate at the consumer price index. So Labor can stop scaring people with this untruth about indexation. HECS, which is part of the HELP scheme, is here to stay. We will also amend legislation guidelines so domestic fees are lower than international fees minus the Commonwealth subsidy.

As the budget papers show, government expenditure on higher education is going to increase each and every year and it will cover more people seeking it. The government is not increasing fees and will continue to support courses through Commonwealth funding, only now it will support more choices. A new system will cast the net of opportunity further by expanding the demand driven Commonwealth funding system. For the first time ever, all Australian undergraduate students in registered higher education institutions will be supported for all accredited courses—higher education diplomas, advanced diplomas, associate degrees and bachelor degrees offered at any Australian higher education institution whether public or private universities, TAFE’s or colleges.

Labor has misled the community and, in doing so, is robbing those they say they are committed to—the vulnerable, the disadvantaged, the diverse and those who seek alternative study pathways. The new Commonwealth Scholarship scheme will create an unprecedented level of support for disadvantaged students to access university. Under the new higher education system universities and other higher education providers will be required to spend $1 of every $5 of additional revenue raised on scholarships for disadvantaged students through the Commonwealth Scholarship scheme. Universities and education providers will decide what to charge and students will choose what to pay. If fees are too high, lecture theatres will be empty. As with all consumables, if the price is not competitive you would look elsewhere.

Labor can now stop scaring people about $100,000 degrees. In a media release on 8 December 2014 the Chair of the Group of Eight, Professor Ian Young OA, said:

The changes in the reform package means $100,000 degrees are simply hyperbole.
However, to provide more certainty in this area, the government will also direct the Australian Competition and Consumer Commission to monitor university fees. Additionally, to protect quality and standards, the Australian higher education system will continue to be underpinned by quality assurance arrangements, including a national quality agency and the Tertiary Education Quality and Standards Agency. I would like to take this opportunity to congratulate Professor Peter Shergold AC, Chancellor of the University of Western Sydney and former Secretary of the Department of Prime Minister and Cabinet, on his appointment as chair of TEQSA. In a letter to me last week, the Vice-Chancellor and President of the University of Western Sydney, Professor Barry Glover, said:

May I ask that you bring to the House's attention the need for an end to the current intolerable state of uncertainty. Mindful of higher education's status as a major export earner for Australia, it is exceedingly difficult to think of a comparable industry that could endure and, indeed, remain globally competitive amid this level of legislative limbo.

The University of Western Sydney plays an important role in education and research and for our community of Greater Western Sydney. I am privileged to have their Hawkesbury Campus in the electorate of Macquarie. Under the guidance of Professor Barry Glover, Greater Western Sydney has a first-class university which strives to inspire all to achieve and broaden their education horizons. I take this opportunity to congratulate Professor Glover. It was announced on Friday, 20 February that he would be the new chair of Universities Australia.

This government supports opportunity and, for all those who seek it through pursuing higher education, we want to widen your opportunities. I again quote Professor Young:

No change would mean fewer opportunities for Australia's students, especially those from disadvantaged backgrounds. Staying still—or moving backwards—won't help. Deregulation of price and student numbers can deliver the change Australia needs.

Those opposite who promote a false political message oppose a fair go and opportunity for all. I commend the bill to the House.

Mr SWAN (Lilley) (19:05): This week students at universities right the country will be attending O-week, and they will be doing so at a time when our higher education system is under a vicious assault from the tea party conservatives who sit on the other side of the House. This assault of course takes its form in the Higher Education and Research Reform Bill 2014. This bill is the second attempt by the Prime Minister and the Minister for Education to wind back the clock to the 1950s, when our universities were reserved for the wealthy elites of our society. As far as they are concerned, they cannot get there quickly enough. Late last year we saw the crossbenchers join the Labor Party to do the right thing by students and future generations in rejecting the first incarnation of this bill. Today I call upon all of those crossbenchers to do that once again—to stand with Labor for fairness in education, for investment in the future and for a society which is marked by high levels of wealth creation and high levels of social mobility.

The conservatives opposite love to trumpet the American system. They think the American system of tertiary education is the way to go. Indeed, they also trumpet the American system of health care. When it comes to education, they say the US system is the gold standard—look at Harvard, look at Yale, look at Princeton. Well, rather than cherry picking one or two—
which are not correct comparisons anyway—let's just have a look at the American system of education.

According to the OECD in its latest assessment of education levels across developed nations, the United States as recently as 1996 had the second highest share of adults who earned post-secondary education credentials and the highest share of adults with university degrees. This is no longer the case. In the space of less than 20 years America's level of educational achievement has fallen behind other nations to the point where in 2012, the most recent year measured, the United States was ranked fifth in the percentage of adults who had earned a higher education award.

As the inclusive prosperity report recently published by the Centre for American Progress shows, not only has the proportion of Americans receiving a higher education fallen; but there is a pronounced downward trend in educational mobility in that country. In America 29 per cent of men and 17 per cent of women had less education than their parents compared with the OECD average of 19 per cent for men and 13 per cent for women. Only 20 per cent of US men and 27 per cent of US women had more education than their parents compared with the OECD average of 28 per cent and 36 per cent, respectively, falling well behind the OECD average, but this is the system which is deified by this Minister for Education and Training because it goes to the very heart of their survival-of-the-fittest mentality. Let the market rule anywhere; that is the only measure they have. But what these figures show is that those sorts of approaches produce lower social mobility and at the end of the day lower economic growth and a less mature, informed and prosperous economy and society.

This downward trend in educational mobility is likely not only to impact on long-term productivity growth because that relies on the accumulation of knowledge but has a much more profound effect on the society itself because truly optimistic societies are those societies where there is a high degree of social mobility, where people understand that, if they work hard, study hard and get a good qualification, they can achieve an outcome from doing that. Lower social mobility leads to a much more pessimistic society and less social harmony.

Recent studies in America have shown that for every one per cent increase in the share of a state or region's population who successfully complete a higher education course there is a corresponding wage increase of 1.6 per cent for all high school graduates. What that figure shows is simply this—and in many ways it is common sense, but it is very good economics and it is even better social policy—when you invest in higher education, you do not just lift a few boats; you lift all of the boats and you drive economic growth through education.

No country can afford to turn its back on the wealth-boosting and –creating potential of higher education, but that is exactly what our country is doing, exactly what this government is doing precisely at the wrong time when we are so poised to reap huge benefits which will flow to this country from the Asian century. The most concerning aspect of the conservatives' fascination with the American higher education system is simply its callous disregard for future generations, who are going to be saddled with overwhelming levels of debt—quite ironic as you sit in this parliament and are lectured by those opposite about levels of debt. They have no compunction about going down the American road of huge levels of debt for students. In the United States student debt is $1.2 trillion, there are default rates of 40 per cent and there is certainly a growing concern in that country that student debt is not just a drag on
economic growth but a drag on future consumption from families and also a cause in the future of financial instability within their economic system itself.

This is the system that the conservatives in this country want to impose on future generations in this country: greater inequity and greater debt. That is why I call it a form of class and intergenerational warfare—nothing more, nothing less, particularly when it is combined with the proposal to have time limited unemployment benefits—and then some—and the attack on universal health care. There is no financial responsibility more important to social mobility peace of mind than the combination of knowing that when you have a family your children can get access to education and be safe in the knowledge that, if some trauma happens in the family, affordable health care is available. That too is being withdrawn from future generations, and those three attacks—unemployment benefits, what is going on in higher education, what is going on in health care—are intergenerational and class warfare in our system from the conservative, survival-of-the-fittest mentality mob who run this country at the moment.

One of the reasons they are in so much political strife is that they are trying to impose this model on a group of people who have the common sense to see it for what it is. They want to import a model where there is a real-time measurement of the crisis it causes in an economy and transpose it on ours in spite of all the evidence that exists about what is going on in the United States. It is a system in crisis.

If we look at the Australian system since 2000, we see Australia has significantly boosted our share of the population which has earned post-secondary education credentials and degrees. In 2000 just 27 per cent of Australian adults had earned post-secondary education credentials. By 2012, the most recent year for which data is available, the share of adults in Australia with post-secondary education credentials had increased to 41 per cent. Twenty-seven per cent to 41 per cent. Among Australian young adults aged 25 to 34, 47 per cent had earned post-secondary education credentials, up from 31 per cent in 2000. Overall, at 77 per cent, Australia is first amongst all OECD and partner countries in the share of young adults who are expected to pursue university degrees before turning 25 years old. We are punching well above our weight—because Labor governments from Whitlam all the way through have been active partners in funding the higher education initiatives which the coalition is now determined to tear down.

What is most perplexing about the coalition's plan for higher education is highlighted in the inclusive prosperity report which I spoke about before. It notes that in order to fix the American higher education system a bold new approach is required. It says that America should make community college or a public four-year college virtually free at the time of study so that all high school graduates and their families have no doubt that they can afford higher education. Sound familiar? The report goes on to conclude:

Under such a system, students would be required to repay all or part of the support they received as a percentage of their income over a specified period of time—for example, 20 years or 25 years. If former students are struggling economically, no payment would be required until their earnings are sufficient to make payments.

That is the Australian system that we have now, before its destruction as proposed by those opposite. The Australian system has an emphasis on affordable education. It encourages, not discourages, wide participation. Now in Australia now have a government which wants to
move Australia to a high-cost American system while the Americans want to move to an Australian system because the financing of their higher education system in that country has been such a comprehensive failure. No-one in this House should be surprised at this because this agenda has lurked on the conservative side of politics for years, but it popped out after the last election when we suddenly saw their real Tea Party credentials—and of course it was exposed in full on budget night 2013. These are just some of the reasons we oppose this bill so strongly.

We have got to be clear about what the coalition is trying to do. Cuts have been run through—with $2 billion in grants alone. The product of that is $100,000 degrees. This is going to discourage participation by those people who cannot afford to take on this level of debt and who, in all likelihood, will be receiving only modest incomes in a whole range of professions and who will therefore decide in the future—or their children will decide—that it is simply not worth getting a degree when the debt that comes with it cannot by paid off with the modest income that they are likely to earn in the future. That is why this system is so tragic. That is why it will lead to intergenerational inequality: it will simply push out of the system those whom we spent years and years getting into the system in the first place. It is going to be particularly hard on professions such as nursing and education but it is also going to hit engineering hard. Those figures have been canvassed pretty thoroughly in this debate. What we do know, and what those on the other side of the House are in denial about, is that the cost of the degrees will impose a crippling debt that will discourage active participation. At the end of the day we are all going to be the losers. Individuals will be the losers and our economy will be the loser as well.

This debate is pretty revealing of the government's priorities overall. They do not see any form of collective solution to any particular form of social policy as being the way to go. They have got an individualist view of the world where governments should play a minimal role, if any role at all. In their view, the actions of a whole host of individuals will produce something that is greater than the sum of its parts. This defies experience around the world.

One of the reasons Australia has been so good, over 100 years, at matching strong economic growth with social equity is that we have always had a really good partnership in our economy between government on the one hand and business and community on the other. And we have worked together with the models we put together in education, with universal public provision so that people can pay more to buy up. In health, people can get a good basic service but pay more and trade up. This has all been done on the basis of government working cooperatively and intervening where necessary in the community. We have had a decent system of industrial relations with a decent level of minimum wage and collective bargaining rights, universal health and education, a progressive tax system and transfer payment system—the basis of the Australian model. And surely, bit by bit, plank by plank, this government has identified every one of those key public policies that go to the core of the fact that Australia is not only prosperous but fair. What they do not understand is: it is bad economics when you start attacking the platforms in the economy that drive social mobility and fairness. What that drives is a low value, unfair economy which does not grow.

Debate adjourned.
BUSINESS
Rearrangement

Mrs ANDREWS (McPherson—Parliamentary Secretary to the Minister for Industry and Science) (19:20): I move:

That business intervening before order of the day No. 7, government business, be postponed until a later hour this day.

Question agreed to.

DOCUMENTS
Department of the Prime Minister and Cabinet
Consideration

Debate resumed on the motion:

That the House take note of the document.

Mr HARTSUYKER (Cowper—Deputy Leader of the House and Assistant Minister for Employment) (19:21): I welcome the opportunity to speak on the Prime Minister's Closing the Gap statement.

In February 1965, students from the University of Sydney set off on a bus trip across New South Wales. The Freedom Ride, led by Charles Perkins and the Student Action for Aborigines group, went from town to town in country New South Wales protesting racial discrimination against Indigenous Australians. The ride was a watershed moment in Australian Indigenous affairs, and I am proud to say that Kempsey in my electorate played a key role in that important event. Last week, I attended the 50th anniversary celebrations of the Freedom Ride in Kempsey. Fifth years on, the Closing the Gap report makes clear that we still have much work to do in addressing Indigenous disadvantage.

In reading the Closing the Gap report, two important things stood out. First, the report makes it clear just how vital it is that we close the gap between living standards for Indigenous Australians and the wider Australian community. Closing the gap will have a material impact on the lives of thousands of Australians. Second, we have a long way to go if we are to close the gap, particularly for those Indigenous Australians living in remote communities.

Life expectancy for Indigenous Australians is 10 years lower than for the rest of the community. In every state and territory, school attendance rates are lower for Indigenous children than for non-Indigenous children. In the Northern Territory, an Indigenous student in year 10 is 31 per cent less likely to regularly attend school than a non-Indigenous student. In very remote areas, only 34.9 per cent of year 7 students met or exceeded the minimum standards for reading in 2014. This is a great concern. How can a young person make their way in the world if they cannot read? How does an Indigenous child grow up to become a leader in their community if they cannot read? How can a young Indigenous apprentice become a tradesman if he cannot read instructions? How can a young Indigenous student become a nurse if she cannot read textbooks or labels? We must get more Indigenous kids to school so that they have the literacy and numeracy skills that they will need to survive in the modern world. As the Prime Minister said last year:
… it's hard to be literate and numerate without attending school; it's hard to find work without a basic education; and it's hard to live well without a job.

The report is particularly relevant to the area which I represent, which includes Dunghutti country around Kempsey, Gumbaynggirr country around Coffs Harbour, and Yaegl country in the north. According to the 2011 census, more than 8,000 residents in the area that I represent identify as being Indigenous. This means Cowper has the 11th highest proportion of Indigenous residents of all federal electorates. As is the case throughout Australia, Indigenous Australians live throughout the communities that make up my electorate, but there are a number of communities with significant Indigenous populations, including Bowraville, Kempsey and Bellbrook. It is in communities such as these that continued efforts to close the gap will deliver improved quality of life and new opportunities.

I am particularly pleased to see innovative new policy approaches involving the whole community delivering results in Cowper. In Kempsey, I have been a strong supporter of the Macleay Vocational College, which provides an alternative education model for high-school students who have not succeeded at other schools. The college is not limited to Indigenous students, but many of its students are Indigenous. The school provides a unique supportive environment that has allowed many students to thrive when the traditional education system has failed them.

I am also very pleased to see the establishment of a VTEC program in Kempsey. The VTEC model provides specific training and support to an Indigenous job seeker, with the promise of an actual job at the end of the training. This model requires significant commitment from government, local businesses and the wider community, but it works. VTEC is no 'training for training's sake' arrangement. There are no dead-end courses. The program provides a genuine opportunity for a young Indigenous job seeker to build a prosperous life. We are on track to have more than 5,000 individuals trained into real jobs by the end of this year through the VTEC system around the country. This approach is vital, because meaningful, sustainable employment is ultimately the key to solving Indigenous disadvantage. Families with a regular wage can afford good food, health care, proper housing, education and the opportunities that many of us take for granted. The VTEC model has been rolled out in 28 locations around Australia, with another one in the pipeline.

But it is not just VTEC that is making a difference in Indigenous employment. In my portfolio, I am determined to make a difference in ensuring that more Indigenous people progress from welfare to work. Most Indigenous job seekers live in regional and metropolitan Australia, where they receive support through the employment services system. Around 76,700 job seekers on the current JSA case load identify as being Indigenous. That is around nine per cent of the total case load. If we are to close the gap, it is vital that more of these job seekers find and keep a job. To support the employment of more Indigenous job seekers, the government has included specific reforms to boost Indigenous employment outcomes in the new employment services system that will start on 1 July this year.

For the very first time, the employment services system will include targets for Indigenous employment. Employment services providers will have clear benchmarks for Indigenous employment, and they will be made accountable for achieving those benchmarks. Providers will not be able to pay lip-service to the important task of getting more Indigenous job seekers into work. Providers' performance relative to Indigenous employment benchmarks will be
reflected in the star ratings system. The star ratings system helps job seekers make a decision about which provider will best meet their needs. A low star rating can also lead to a loss of business share for an employment services provider. For these reasons, providers will have a material interest in ensuring that they help more Indigenous job seekers on their journey from welfare to work.

To support providers in this important work, the government is providing wage subsidies for employers to take on more Indigenous Australians. Of course, we also need employers to partner with us, and I am pleased to note that many large companies have clearly stated intentions to take on more Indigenous Australians. Companies such as Qantas, Westpac, Leighton, News Corp, Telstra, Shell and many more are coming on board with this important duty of getting more Indigenous job seekers into work. We know that many other employers, particularly the small and medium businesses that make our economy tick, are also doing their bit to support Indigenous employment. But we need more businesses to come on board.

The new employment services system starting on 1 July is the perfect opportunity for a business to start a relationship with a provider and begin to give more Indigenous job seekers the opportunity and the benefits that work can bring.

The Closing the Gap report is sobering. We have undoubtedly made progress in some areas, but in others we are either stagnant or going backwards. There is too much at stake to give up. Our only option is to improve our efforts and press on. I believe we are moving in the right direction. Indigenous affairs is now prominently located within the Department of the Prime Minister and Cabinet.

The government is firmly committed to improving school attendance. We have the resources on the ground, making sure that kids go to school. The reduction of the huge number of Indigenous funding programs and policies their refocusing into more flexible support for practical, proven measures is a good step. The National Aboriginal and Torres Strait Islander Health Plan is supporting Indigenous communities to manage their health and wellbeing. As I mentioned, we are taking action to improve indigenous employment outcomes. As a nation, we owe it to the men and women like Charles Perkins who fought to end discrimination to finish the job they started and close the gap.

Ms CLAYDON (Newcastle) (19:30): I would like to begin by acknowledging the traditional owners of this place, the Ngambri and Ngunawal peoples, and pay my respect to their elders, past and present, and their future leaders. I would like also to acknowledge the traditional owners of my home town of Newcastle and the wider electorate, the Awabakal, Worimi and Wonnarua peoples.

It is fitting that we begin the parliamentary year with the annual Prime Minister's report on Closing the Gap, symbolically reminding the parliament and the nation of the importance of our collective efforts to close the gap. It is an opportunity to take stock of our achievements, focus on the challenges ahead and recommit ourselves to the Closing the Gap targets.

In the words of the Prime Minister, the seventh Closing the gap report is 'profoundly disappointing'. We are not on track to achieve most of the targets. Just two of the original targets, relating to child mortality and year 12 attainment, are on track to be met. In life expectancy there have been modest gains, but progress will need to be significantly accelerated if the gap is to be closed by 2031. Other targets in relation to early childhood education and literacy and numeracy have either not be met or are not on track, while
employment outcomes have gone backwards. The gap is not closing in these areas and there are other areas, not currently measured, that we are failing to address altogether.

We still do not have, for example, justice targets included in our set of measures, yet the Productivity Commission's 2014 *Overcoming Indigenous disadvantage* report makes clear that justice outcomes continue to decline, with adult imprisonment rates worsening and no change in high rates of juvenile detention and family and community violence. Read in conjunction with the *Social justice and native title report 2014*, the need to include justice targets in the Closing the Gap targets could not be made clearer.

Having failed to meet five of the seven existing Close the Gap targets, we are going backwards on a number of fronts. The Prime Minister's report on Closing the Gap clearly shows that we cannot afford the government's massive cuts to Indigenous programs and services. We simply cannot afford any further cuts that threaten our hard won, albeit limited, progress to date.

In May last year, this government's first budget, handed down by the 'Prime Minister for Indigenous Affairs', included more than $534 million of cuts to programs that supported Aboriginal and Torres Strait Islander peoples, leaving many Indigenous services with an uncertain future. In Newcastle it meant the end of the successful Deadly Choices program that aimed to empower Aboriginal and Torres Strait Islander peoples to make healthy choices for themselves and their families—to stop smoking, to eat good food and to exercise daily. Last year in my Close the Gap address I praised the positive effect Deadly Choices was having in our community. Today I lament its demise.

Deadly Choices was not alone. A total of $165 million was cut from Indigenous health programs, including other preventative health programs such as the Tackling Smoking and Healthy Lifestyle program. This is despite the government's election commitment to maintain funding for Closing the Gap health programs. The Family Violence Prevention Legal Service had a $3.6 million was cut and there is no future funding certainty beyond 30 June 2015 for this vital service impacting Aboriginal and Torres Strait Islander women and children escaping family violence. A raft of cuts were made to community legal services, including $15.6 million from community legal centres, $13.4 million from Aboriginal and Torres Strait Islander Legal Services, $21.5 million from legal aid and no funding certainty for legal centres past 30 June 2015. Funding was cut for municipal and essential services for remote communities. Western Australia has threatened to close up to 150 remote Indigenous communities as a result of the funding cut. Cuts were made to Prisoner Throughcare and anti-recidivism programs. The national partnership agreement on Indigenous health outcomes was not renewed, leaving the Close the Gap health targets without a nationally coordinated approach to achieve them. The commitment to a justice target under the Close the Gap framework was abandoned. The National Indigenous Drug and Alcohol Committee was axed without warning and the National Aboriginal and Torres Strait Islander Health Equality Council was also axed. And the so-called Prime Minister for Indigenous Affairs made no mention of Aboriginal and Torres Strait Islander peoples when he set out his vision for Australia at his Press Club address earlier this month. This is the incomplete, but nonetheless bleak, rap sheet of this government's record on Indigenous affairs over the last 12 months.

The Prime Minister's report is an important aspect of how we assess progress on closing the gap, but this report should not be read in isolation. Other independent reports produced must
also be considered, including the Productivity Commission’s *Overcoming Indigenous disadvantage* report, the *Close the gap: progress and priorities report* and the *Social justice and native title report*. All three reports, released in the last 12 months, touch on the progress that has been made towards a number of the Close the Gap targets, but emphasise that more needs to be done and that there are worrying signals in a number of areas.

I would like to touch on some of the findings and recommendations of *the Social justice and native title report 2014*, authored by Mick Gooda, the Aboriginal and Torres Strait Islander Social Justice Commissioner. He delivers a critical assessment of what these cuts to Aboriginal and Torres Strait Islander services and programs have meant on the ground and builds the case for a Closing the Gap target on justice. In his report, Mr Gooda said:

The past year has been characterised by uncertainty and upheaval for Aboriginal and Torres Strait Island People.

He added:

Overall, this upheaval and lack of clarity is deeply worrying and is causing widespread uncertainty and stress, particularly amongst our communities.

The report makes a number of recommendations, but today I will focus on one area in particular that is a matter of national importance and must be addressed urgently.

Within his report, Mr Gooda highlights the shocking overrepresentation of Aboriginal and Torres Strait Islander peoples as both victims and offenders in the Australian criminal justice system. Indeed, in his view, it is one of the most urgent human rights issues facing Australia. Nationally, Aboriginal and Torres Strait Islander adults are 15 times more likely to be imprisoned than non-Indigenous Australians, while around half of the young people in juvenile detention facilities are Aboriginal and Torres Strait Islander. This, coupled with the fact that Aboriginal and Torres Strait Islander women are hospitalised for family violence related assault at 31 times the rate of non-indigenous women, is truly damning. Mr Gooda further pushes for the long-held view that Closing the Gap targets on justice are needed and, along with the *Close the Gap Progress and Priorities Report* and the Productivity Commission report, makes the case for a justice measure to be introduced.

In August 2013, the coalition committed to ‘provide bipartisan support for Labor’s proposed new Closing the Gap targets on incarceration rates’. I welcome the government’s position but, unfortunately, we are yet to see any progress on this. So it should be of no surprise to the House to learn that the Social Justice and Native Title Commissioner has this year had to recommend:

The Australian Government revises its current position on targets as part of Closing the Gap, to include holistic justice targets aimed at promoting safer communities.

I could not agree more.

In spite of all the cuts to funding, there is some tremendously good work being done on the ground by Aboriginal and Torres Strait Islander organisations. I attended the launch last week of the Deadly Dolphins' kids' swimming program in Mayfield. The Awabakal Limited and the Cancer Council New South Wales were working together to promote three key aims for the local community on water safety, getting active and being safe in the sun. There is also another terrific program being run called the Indigenous Marathon Project. I am very
fortunate to have a constituent from my electorate, the Newcastle Citizen of the Year and wheelchair champion Kurt Fearnley, as an ambassador for this program.

In closing, it is important to acknowledge that, yes, there has been some limited progress in two out of seven of the target areas that I referred to earlier. Clearly, we need to step up to the mark. I would like to close with the words of Dr Tom Calma, a former Aboriginal and Torres Strait Islander Social Justice Commissioner, who rightly observed:

It is not credible to suggest that one of the wealthiest nations in the world cannot solve a health crisis affecting less than 3% of its citizens.

We can and must do better.

Ms HALL (Shortland—Opposition Whip) (19:40): When I was first elected to this parliament I was a member of the then House of Representatives Standing Committee on Family and Community Affairs, and that committee was undertaking an inquiry into Indigenous health. We visited areas in Australia from the most remote to regional, rural and metropolitan, and we identified that there were significant health problems in those communities. It did not matter whether it was in the most remote part of Australia or in metropolitan Sydney, Indigenous Australians had poorer health outcomes across the board compared to non-Indigenous Australians.

We are here tonight speaking to the Close the gap: progress and priorities report, which is a step forward in that this report has to be tabled every year in parliament. However, I find it really disturbing that we are here in parliament debating key areas where we have failed to meet most of the targets in closing the gap on Indigenous health. We have only met two out of the seven targets. I read through this report and looked at the health indicators and outcomes that have been achieved. It is really important that we do have measurable outcomes in this report, but I cannot believe that I have been in this parliament now for over 16 years and that one of the first issues I became involved in was the poor state of health of our Indigenous Australians and the need for us to work and act on that and make a difference. Then today I stand here and I look at the figures for things like cardiovascular disease and see the difference in rates for Indigenous and non-Indigenous people. I see the high levels of treatable and preventable conditions that Indigenous people have and the difference between their outcomes and those of non-Indigenous people. For instance, the gap is widening in the area of diabetes by 35 to 44 years. In the Indigenous population nine per cent of those aged over 35 have diabetes in comparison to 8.2 per cent in the non-Indigenous population, and the rate is even greater as age increases. The difference between Indigenous and non-Indigenous people with early onset of kidney disease is incredible. It is the same with cardiovascular disease: 32 per cent of all Indigenous Australians have high levels of triglycerides, compared to 14 per cent of non-Indigenous Australians.

I know that the health of Indigenous Australians is an area of great concern and I know that this side of the House is totally committed to addressing that. But we still have a very high level of smoking among our Indigenous population; obesity is greater among our Indigenous population; and alcohol consumption and risky drinking is an area that has been addressed but not adequately. When this government discontinued the National Indigenous Drug and Alcohol Committee, I saw that as a retrograde step, and it is recommendation 3 of the steering committee's Close the gap report that it be reintroduced.
There have been some gains, and it is important to acknowledge those gains but also to emphasise that closing the gap really needs a whole-of-government approach and funding to address it. Our federal government, our state governments and our local governments need to all come together and make this commitment, and remain committed to the COAG process. It is vitally important that the Australian government continue to show leadership in the COAG Closing the Gap strategy, as was identified in recommendation 2 of the Close the gap report.

But, to make a real difference, there are some key areas that we need to address. One of those key areas is health. We need to say it is not good enough that, because you are an Indigenous Australian, you are going to be sicker and you are going to die earlier. Our Indigenous population do not have the same opportunities as other Australians. Education is also vitally important, including getting children to school. Getting adults into work and building safer communities are all really important initiatives and strategies. But you have to build those things on a healthy society and a healthy population, and you cannot separate the two.

Unless more than lip service is paid to these issues, unless the $534 million of funding cuts to programs is reinstated, I have concerns about this country's ability to ensure that Indigenous Australians have the same opportunities, the same health outcomes and the same educational outcomes as non-Indigenous Australians. And there are issues about access to education, because an Indigenous student might enrol in a school but there are a number of other aspects that will determine whether or not that young person is going to embrace and utilise the educational opportunities that are available. There is a strong association, as was pointed out in the Close the gap report, between family functioning and truancy. Household stress, housing issues and family crises are the most important predictors of school nonattendance. We need to address the core issues, the family issues and the social issues, that impact on that young person's ability to embrace education.

Actually closing the gap and improving these outcomes cannot be done by this parliament alone. It can only happen if we work with the Indigenous communities throughout this country, because it can only really be achieved if it involves and is driven by Indigenous communities and by the actions and programs that are undertaken by Indigenous communities in this country. The power needs to lie with Indigenous Australians. We do not need a patriarchal approach to closing the gap; we need to have a very inclusive partnership with Indigenous Australians.

We need to make sure that, in 10 years time, we do not have another person standing up in this parliament making the same speech that I am making, saying it is not good enough, we need to act on it, we need to change things, we have far too many Indigenous Australians in jail. It is just not good enough.

Ms BRODTMANN (Canberra) (19:50): Before I begin, I acknowledge the power of my colleague the member for Shortland's speech just now and commend her for it. As she said, hopefully we will not be having this conversation and this debate in 10 or 20 years time. Even though there have been some developments and improvements under this latest Closing the gap report, there are still some very stark differences between the Indigenous and non-Indigenous communities here in Australia, unfortunately, and this report highlighted that.

I am pleased to have the opportunity to speak about the Closing the gap: Prime Minister's report 2015 and I am proud to be part of a parliament that has continued to show bipartisan
support for ending Indigenous disadvantage in this country. The different sides in this place often disagree on how we should meet these targets but we do agree on the need to get there, and that is important. The Leader of the Opposition said after the recent launch of this report, in his speech to parliament:

Today we promise to do better; we promise to do more …

And we must stick to that promise.

I commend the Prime Minister for following in the footsteps of his Labor predecessors by delivering the Closing the gap report in person to the parliament—it strongly demonstrates the critical importance of these targets. Most importantly, it keeps them front of mind for the Australian community, it keeps them front of mind for the parliament and it keeps them front of mind for each and every one of the people who sit in this place—and for those in the gallery on the day the report is delivered it reminds them of the inequality that exists between Indigenous and non-Indigenous Australians. It is a stark inequality in so many ways and in so many critical areas that means that Indigenous Australians are leading a life unfulfilled; they cannot realise their potential because of these discrepancies and inequalities that they face in their health, in their education and in so many other areas.

This year's Closing the Gap statement has unfortunately brought us mixed results. We have made some achievements, but there is a long way to go if we are to meet the Closing the Gap targets by 2030. In fact, we are on track to meet just two of the seven Closing the Gap targets. That is incredibly sobering. Here we are in 2015 with these targets that are admirable, ambitious and it is great that we have them, but, as my colleague said, the fact that we are actually having this discussion is deeply depressing for someone who is interested in shaping public policy and ensuring that every Australian, no matter what their background, no matter what their race, no matter where they live, has access to opportunity, to equality and to fairness.

I welcome the increase in Aboriginal and Torres Strait Islander life expectancy between 2005-07 and 2010-12. We have seen an estimated increase in life expectancy of 1.6 years for males and 0.6 of a year for females over that five-year period. However a gap of around 10 years remains when you compare Aboriginal and Torres Strait Islander people with non-Indigenous people. That is incredibly sobering. Here we are in this incredibly affluent nation with so much opportunity for so many, yet we have that 10-year gap. Aboriginal and Torres Strait Islanders have higher rates of cancer, higher rates of diabetes and higher rates of preventable diseases. They also suffer preventable deaths related to chronic diseases at rates that could be halved within three years through a much greater focus on access to appropriate primary health care services to detect, treat and manage these conditions.

The report looks to the Australian government for continued leadership as part of an overall national approach to Closing the Gap. This year's report has highlighted some disappointing progress; in fact, the Prime Minister described it as 'profoundly disappointing'. As I mentioned earlier in my speech, the Closing the Gap commitment to narrowing the gap or eliminating the gap, a commitment to true equality for non-Indigenous and Indigenous Australians alike, I believe is strongly felt by members all around this chamber. That is why it is disappointing that the government had decided to cut $130 million from Indigenous health programs, that is why it is disappointing that the government has decided to cut thousands of critical Indigenous front-line services that would have helped in Closing the Gap, and that is
why it is disappointing that the government has ripped $165 million from Indigenous health programs which would have helped in Closing the Gap. The list of cuts goes on: $13.4 million ripped from Aboriginal and Torres Strait Islander legal services; $9.6 million cut from Indigenous language programs; $15 million cut from the only national representative body for Aboriginal and Torres Strait Islander peoples, the National Congress of Australia's First Peoples; the prisoner Throughcare and anti-recidivism programs have been cut entirely; and the National Indigenous Drug and Alcohol Committee has been axed, as has the Indigenous and Remote Eye Health Service. These cuts are having a dire impact on Australia's Indigenous community, and, as Social Justice Commissioner Mick Gooda said, this past year has been one of deep funding cuts, uncertainty and upheaval in Indigenous affairs.

These health statistics make for very sobering reading. It is unbelievable to think that here we are in 2015 with these sorts of figures. Yes the gaps have been narrowed, but I am looking here at low birth weights per 100 births. In 2011, in Aboriginal and Torres Strait Islander communities the figure is 11.1; for non-Indigenous, 4.5. We have a comparison of Maori and Aboriginal and Torres Strait Islander life expectancy by gender from 2010 to 2012. For Maori males it is 72.8; for females, 76.5. For Aboriginal and Torres Strait Islander males it is 69.1, and 73.7 for females. With survival rates for cancers, the Aboriginal and Torres Strait Islander survival rate for all cancers is 40 per cent; for non-Indigenous Australians it is 52 per cent. For lung cancer it is seven per cent for Aboriginal and Torres Strait Islander communities, and 11 per cent for non-Indigenous people. For breast cancer in women it is 70 per cent for Aboriginal and Torres Strait Islander and 81 per cent for non-Indigenous Australians. For bowel cancer it is 47 per cent in Indigenous communities and 53 per cent in non-Indigenous communities. For prostate cancer it is 63 per cent for Indigenous and 72 per cent for non-Indigenous communities. Cervical cancer is 51 per cent for Indigenous and 67 per cent for non-Indigenous. These gaps highlight the fact that there are still some significant areas that need to be improved.

For me, another horrifying statistic that has stayed with me from this report is that, sadly, Indigenous women and children are more likely to experience family violence than any other group in our nation. An Indigenous woman is 35 times more likely to be hospitalised as a result of family violence, and she is five times more likely to die. That figure is incredibly powerful, deeply disturbing and deeply distressing: an Indigenous woman is 35 times more likely to be hospitalised as a result of family violence and five times more likely to die. It is a chilling statistic, and we must do better.

In closing, I just want to acknowledge some work that is being done here in the Canberra community. I met this group of Canberrans when I went to the Closing the gap launch. It is a group called Solid Young Sistas and Brothas. It is a leadership and mentoring program for Aboriginal and Torres Strait Islander youth from the ACT and surrounding New South Wales. The program supports these young people to connect or reconnect with their culture through components such as dance, language and other cultural performances. They are doing great work for the Indigenous community here in Canberra, and I commend them.

**Mr LAURIE FERGUSON** (Werriwa) (20:00): As other speakers have detailed, this, the seventh report, does have a few positive facets: as indicated, the improvement in life expectancy and, despite the continued abysmal situation, the improvement in regard to low birth weights et cetera. However, the context has to be a three-times-greater rate of suffering.
from diabetes, a two-times-greater rate of chronic kidney disease, two-times-greater risk factors for cardiovascular disease and, of course, the reality that all of those problems are interconnected as risk factors for each other.

The previous speaker detailed the life expectancy difference between New Zealand Maoris and Australian Indigenous people. The disturbing facet is, however, that, whilst we are still behind the New Zealand situation, it has actually, in a relative sense, deteriorated over the past few years. If we look at New Zealand Maori life expectancy, it improved significantly, by four years, over the period from 2002 to now. When we look at the improvements in Australia, they have been nothing like that.

In one sense, the condition of Australian Indigenous people is similar to the destruction by Israel this week of a number of Bedouin houses; the fact that in Japan people have books of surnames and genealogies to make sure they do not intermarry with Ainu; the situation in Botswana, where the government was going to deprive the San people of their living space for major game safari areas; and the situation in South America, where in Peru and Ecuador we see indigenous people marginalised and unable to participate in negotiations around oil and gas exploration. In one sense, Australian Indigenous people are part of a worldwide phenomenon of colonisation, deprivation and marginalisation.

However, what is disturbing is that, in a work back in 2007 by Freemantle, Officer and McAullay, done by the Kulunga Research Network and commissioned by Oxfam, the following realities were described:

The mortality rates reported in Australia for Aboriginal people are higher than those reported in New Zealand, Canada and the USA … Disparities exist in reported life expectancy … in the four countries. However, the highest disparity … has been reported in Australia … Infant mortality is also higher and the disparity greater …

Furthermore, there are:

… lower levels of access to health services than the general population, in some part due to residing further from health services and also as a result of socioeconomic status, availability of transport and ability to speak English …

So this country should be disturbed not only that our statistics are alarming but that they are very negative in contrast to indigenous populations in other First World countries that we might compare ourselves to.

I have, of course, noted reduced government expenditure in regard to many aspects of Indigenous people's lives. One that many members would have had their attention directed to today is the question of the Aboriginal Legal Service. An email today asking members to take up the issues noted that in the ACT and New South Wales there will be a loss of $3 million from the annual budget of the relevant Aboriginal Legal Service and that 40 of the 185 staff members will be looking for alternative employment at Centrelink.

The situation, of course, is interrelated to the health issues because of the high incarceration rate of Australian Aboriginals and the impact that has on families, lifestyle et cetera. In 1991, of course, we had a Royal Commission into Aboriginal Deaths in Custody. But the Australian Institute of Criminology, in 2013, could still detail that, whilst Indigenous Australians constitute only 2½ per cent of our population, they constitute over a quarter of those in the adult prison population of the country. In the Northern Territory, they are 30 per cent of the people and 82 per cent of the prison population. In Western Australia, they are three per cent
of the population but 38 per cent of adults in detention. Due to the over-representation, whilst the percentage of deaths of Indigenous people in detention is going down, in absolute numbers it is going up. Between 2008 and 2011, of 159 deaths in custody 33 were Indigenous Australians.

What is disturbing, and interrelated to the question of health and services, is the reason why many of those people are in detention. In New South Wales, a survey of the prison population showed that 55 per cent of Aboriginal and Torres Strait Islander men and 64 per cent of women had a drug use issue which related to the offence committed. Fifty-five per cent of Indigenous male detainees and 48 per cent of women had self-reported mental conditions. So to reduce assistance to the Aboriginal Legal Service, in a country which has such abysmal, disgraceful, internationally embarrassing levels of incarceration and deaths in custody, would not really seem to be a very valuable addition to countering the health problems.

Of course, there have been suggestions as to where we should go. In the Summary of Australian Indigenous health, the following were put forward as being amongst the emphases that this country should have:

- having Indigenous Health Workers on staff
- increasing the number of Indigenous people working in the health sector …
- designing health promotion campaigns especially for Indigenous people
- having culturally competent non-Indigenous staff
- making important health services available in rural and remote locations (so Indigenous people living in rural and remote areas do not have to travel to cities, away from the support of their friends and families)

One of the other things that come out in all the health analyses in this country is that, if you have two people with a condition, the survival rate because of these factors for Indigenous Australians is very much lower. The other suggestion was:

- funding health services so they are affordable for Indigenous people who might otherwise not be able to afford them.

We have mentioned many of the other health statistics, but I will just go through a few others in a disturbing picture.

In Australia's health 2014, by AIHW, under 'Indigenous health', the largest gap in death rates between Indigenous and non-Indigenous Australians was in circulatory disease deaths, followed by endocrine, metabolic and nutritional disorders. Indigenous Australians were five times as likely as non-Indigenous Australians to die from these. Indigenous children aged nought to four died at more than twice the rate of non-Indigenous children. After adjusting for differences in age structure and response rates, Indigenous Australians aged under 65 were more than twice as likely as non-Indigenous Australians to require assistance with daily activities because of disabilities. Two out of five Indigenous Australians aged 15 and over were current smokers. The proportion of Indigenous adults who smoke daily has decreased, of course, but is still disturbingly high.

In conclusion, there are some positives in this report. They do perhaps indicate that an emphasis on this—the fact that it is in the public domain, that people talk about it and that there is this annual discussion about it—has accomplished some gains. However, when we look at the poor base from which we are coming, when we look at international comparisons,
when we look at the still very high mortality rates and the proportion of a wide variety of
diseases, there is not much to really be joyful about. This does indicate a further need to focus
on the issue, and it certainly will not be improved by very extensive cutbacks in expenditure
in the area of Indigenous health in this first budget from the government.

Mr HAYES (Fowler—Chief Opposition Whip) (20:09): I would like to start my
contribution by acknowledging the traditional custodians of the land, and I pay my respects to
elders past and present. Earlier this month, the Prime Minister handed down the seventh
Closing the gap report, a practice which has been a bipartisan commitment in this parliament.
Both sides of parliament have adopted closing the gap as common ground. The disparity
between the mainstream Australian and the Aboriginal community is and remains a blight on
our society. However, with over $500 million being cut from Indigenous affairs programs, as
announced in last year’s budget, which will seriously impact on thousands of Aboriginal and
Torres Strait Islanders and threaten the provision of essential servi

cles, this is hardly a great
place to start when we are here to talk about closing the gap.

I represent a very diverse community in south-west Sydney. More than 2,000 people in my
electorate identify themselves as being of Indigenous descent. The majority of the Aboriginal
people in my electorate live in Liverpool, an area of great diversity, but it is also an area that
has a significant proportion of socially and economically disadvantaged families, many of
whom struggle in accessing mainstream services such as health, education and employment.

Under the former Labor government, we worked pretty hard to implement the national
Indigenous reform agenda in 2008. We identified the six areas of critical importance to
Indigenous communities. These include life expectancy; the mortality of children under five;
access to early childhood education; reading, writing and numeracy; year 12 attainment rates;
and employment outcomes.

Seven years on, yes, we can see that progress has been made in high school attainment,
infant mortality rates and early childhood education. However, there is no denying the fact
that we have a long way to go in truly meeting our targets. The funding uncertainty for critical
programs should not be allowed to frustrate our collective efforts in meeting our targets in this
respect. Closing the gap is critically important and deserves a thorough review of the efforts
to achieve these results.

In saying that, you just cannot ignore the fact that this government has slashed $165
million from the Indigenous health programs and is also cutting $3.6 million from the Family
Violence Prevention Legal Services Program. Given the importance of this particular issue to
my community in south-west Sydney, I would like to focus a little bit of my contribution on
the prevention of family violence.

Indigenous women and children are more likely than other groups in our society to
experience family violence. In fact, Indigenous women are 35 times more likely to be
hospitalised as a result of family violence and/or die as a consequence. As a caring nation, we
simply have a responsibility to put an end to these senseless acts of violence which divide
many households, scar children and claim the lives of so many Aboriginal women.

For some time now I have been working very closely with a group called Sistas for Sistas.
This group is led by Rosheen Saunders. Rosheen and her members have done a tremendous
job in raising awareness of domestic violence in Indigenous families through a program called
Aboriginal Women Against Violence, which is run by the Joan Harrison Support Services for Women, based in Liverpool.

Over the years, more and more Indigenous women, who have been victims of family violence, have come together to not only openly talk about their experiences but to also join the campaign against domestic violence. My community is very fortunate as we have a number of organisations and some exceptional people that are committed to making a difference to the lives of local Aboriginal people. This includes the KARI Aboriginal Resources, which is a leading Aboriginal children's service provider in New South Wales. This organisation has operated in Liverpool since 1999, recruiting and training Aboriginal foster carers and providing shared-care for Aboriginal children and youth requiring out-of-home care.

I would like to commend Paul Ralph, the founding member and current CEO of KARI, and his dedicated team for their efforts in safeguarding the rights of Aboriginal children. They are making a difference for the better in our community. My electorate is also home to the Gandangara Local Aboriginal Land Council, which provides a range of social services to the Indigenous community. I would like to acknowledge the great work being done by Jack Johnson, Nancy Davis and Rae Stewart for their vision in building the long-term independence Aboriginal people in my community.

When speaking about support to the Aboriginal community in south-west Sydney, I must acknowledge a very committed and most determined Catholic nun, Sister Kerry McDermott, a strong advocate with a compassionate heart and committed to raising awareness and understanding of issues relevant to our Indigenous community.

Sadly, many of these committed people are facing an agonising wait to find out whether the funding for their important services and programs will be continued. We just simply cannot afford to slash funding to vital services if we are serious about closing the gap. It is simply not good enough to say we are making progress; we need to be totally committed when dealing with this unjust and indefensible inequity in our community.

If the government is to be taken seriously with respect to closing the gap, I encourage it to reconsider the impacts that cutting vital front-line services will have on the wellbeing of Aboriginal people.

Mr BANDT (Melbourne) (20:17): At the heart of our country, our democracy and this parliament is a profound injustice. People now recognise that Australia was not terra nullius; it was not unoccupied when white settlers first came here. People now recognise that our history is one of violence and dispossession, which many people in this country and many First Australians feel deeply.

The story we tell ourselves now could be so different. We could as a country have a prouder story to tell ourselves. We only have to look across the way to New Zealand where they recognised the injustices of the past and then struck a treaty that gave due recognition in principle and in fact to the first inhabitants of that country to see how we might start to take the first steps if we wanted to. But unfortunately we continue to deny that great injustice that is still at the heart of our country. And we continue to live with it every day.

When we compare the health of the first New Zealanders with the health of the First Australians, we can see very clearly that the failure to right that injustice is connected deeply
and intimately with the health and wellbeing of people who are living right here and right now. What the *Closing the gap* report that we are speaking about here today evidences is that many things are getting worse for Aboriginal and Torres Strait Islander people in this country. Unsurprisingly, that is what happens when you rip desperately needed funding from the sector—and I will say a bit more about that in a moment.

But what we know from this report is that some things have in fact got worse. We know that we are not on track for progress on closing the gap on life expectancy in a generation, and that is something profound to recognise. Here, in modern wealthy Australia, we are not on track to close the gap in life expectancy between Indigenous and non-Indigenous Australians within a generation.

There has been some progress and some suggestion that we are on track in this report to halving the gap in mortality rates for Indigenous children under five within a decade. That is worth celebrating. That is very important. But what we also know is that we have not met the target to ensure access for all Indigenous four-year-olds in remote communities to early childhood education; we are not on track to halve the gap in reading, writing and numeracy achievements for Indigenous students; and we are not on track to halve the gap in employment between Indigenous and non-Indigenous Australians. And it is clear from this report that we will not meet our commitments to closing the gap unless we significantly change what we are doing.

One of the areas where we have made some progress—and you can see the disjuncture between the progress we are making and the actions the government is taking—is smoking. We have made some progress in cutting smoking. So what does the government do? They cut funds to the programs that address smoking in Indigenous communities.

Now, you ask anyone in the community and they will tell you that cutting funding to this program, when we are making progress, is an absurd thing to do and one that will hurt and that will have an impact. And we are not talking about minor cuts here. At a time when we are told we are not on track to close the gap we also have a government that takes $534 million out of programs—$168 million out of health programs alone; $34 million worth of cuts to legal aid and policy reform programs; and, appallingly, cuts to the National Aboriginal Family Violence Prevention Legal Services of $3.6 million over the next three years. Of course, the impact of those cuts is only compounded by other cruel cuts, such as the Medicare co-payments that the government is intent on pursuing. What is becoming crystal clear as you put the pieces of the puzzle together is that those who are the worst off will continue to bear the brunt of this government's agenda. If we keep doing what the government is proposing then we are going to keep getting results like this report back.

For example: this year the government has said there is a renewed focus on school attendance, but there is no recognition of the health and wellbeing issues that keep kids from being able to go to school. It is all well and good to say, 'We're going to force you to turn up,' but what are we doing about making sure that once they are there they learn and they stay? For example: we know that glue ear leaves many children hearing impaired and that it affects their learning, but that is still not being addressed. If you drag a kid to school but then you do not fix their ears so that they can hear and learn we are not going to close the gap.

Shamefully, we know that incarceration rates are still soaring and yet the government cuts legal aid and refuses to put in place a justice target. The government must include a justice
target as part of the Closing the Gap targets. That would involve recognising the role of community services and early intervention in reducing the high incarceration rates of Aboriginal Australians, who make up 28 per cent of our prison population—28 per cent!

One of the things that we should do if we are intent on closing the gap is actually ask Aboriginal and Torres Strait Islander peoples what they think we should do and involve them. I suggest to the House that going and asking a billionaire—Mr 'Twiggy' Forrest—is not going to yield results, as opposed to going and asking people on the ground what they think we should be doing. When you go and ask a billionaire, you get the same answers back that we have heard the government espousing: so, a further tightening of income management, for example, even though we see very clear evidence that income management is not working. And that is no surprise, because you do not lift people out of poverty by taking away their rights and you do not lift people out of poverty by treating them like second-class citizens. But that is the approach the government persists with against all of the evidence. And if we persist with an approach against the evidence and if we persist with cutting funding we are going to keep getting reports like this back.

I conclude by saying that there is a much better story that we could be telling as a country if we took steps towards recognising our First Australians, if we took steps towards a treaty—as other Commonwealth countries have done—and if we took steps towards properly funding the services that will make a difference in areas like family violence and health. Then we could be up here celebrating progress. It causes me great sadness that instead of celebrating progress we are marking the fact that we are not on track to close the gap of life expectancy between Indigenous and non-Indigenous Australians.

Mr RAMSEY (Grey) (20:26): I rise to speak on the Closing the gap report. I thank the Prime Minister for his remarks earlier in this debate.

I have spoken before in this place on a number of occasions about the great divide between urban and remote Aboriginal communities. In so many cases I think that in urban Australia we are making progress, even though for many of us it is not as fast as we would like. But I look at some of my communities, like Port Augusta, Ceduna, Coober Pedy, Whyalla—where the member for Brand, sitting at the table, comes from I know: a famous son of Whyalla!—and Port Lincoln, and I think that the Indigenous population is measurably better off than they were, say, 20 years ago. We saw much more engagement in community and I think we see people making a better fist of raising their families and getting their children educated. And while there is still a long way to go, if I look at those communities then I think the next great barrier we have to pass is on the employment front.

When I say that, the rates of employment are rising and they are getting stronger. But in my mind many of those jobs are government jobs or in the Indigenous industry. I will celebrate the day when I walk into all the shops and businesses of the area and we have Aboriginal workers working in all of them, because this is when we will know that they have really crossed the final barrier, as it were.

But in remote communities it is a much more difficult task, particularly in those where English is a second language, despite efforts by both sides of politics at the state and federal levels. Many of these remote communities have far better housing than ever before, they have great health clinics, they have fantastic school buildings and they have good shops—even though often in the remote communities they are fairly expensive. For instance, I will speak
of the APY Lands—they are probably the most famous group of remote communities that I have in my electorate, and quite well-known around Australia. It is 1,000 kilometres from Adelaide, for instance, before you get to the turnoff and then you can drive another 500 or 600 kilometres across the Lands. That is the route that all the groceries take. There was a time not very long ago, in fact, when the trucks were going to Alice Springs first, being decanted onto smaller trucks and then backtracking 500 kilometres to the same turnoff. You can understand why goods in the shops are expensive there, just as they are in many of my more remote farming communities.

They often have in these communities a challenging road. But they also have a breathtaking array of personal and family services, so many in fact that many do not know what the others do, even if they are operating in the same communities and even if their programs cut across each other. I welcome the comments and the intentions of Minister Nigel Scullion, who is determined to see all these services delivered into five common service areas, which I think should go some of the way to at least addressing these problems. These are small communities. They have subsidised arts centres, for instance, which are probably the most successful business model in remote areas. They have a raft of fully funded environmental jobs. When you sum all that up, it sounds like paradise. But unfortunately it is not. It is far from paradise.

I was not surprised when the Prime Minister expressed great disappointment with the number of Closing the Gap indicators that have not improved and that, in a couple of cases, have gone backwards. I spent seven years as a member representing these remote communities. While I have seen investment in the physical structures and investment in the human effort to try and bridge the gap, I have actually seen little improvement in individual outcomes. It is the old adage that we have missionaries, mercenaries and misfits, and I am pretty confident that in my seven years as member I have met all of these.

On the balance, most of the people working in these remote communities are there for the right reasons. They believe that they are making a real difference. When I sit down and talk to them individually, they tell me about their programs. I think, 'Gee, that is good. That ought to be making a difference. I can understand how you feel good about your program.' Yet if these myriad services in these remote communities are making a difference, why are not the individual outcomes better than they were 10 or 20 years ago? We seem to be making so little progress. We have to ask ourselves the question: why?

I come back in the end to the fact that we are maintaining communities where they have no chance of economic development. There is no natural economy. When I sit down with the leaders of these communities, they say, 'We want jobs for our children.' I say, 'What you want them to do?' There are no real jobs. There is a cattle industry there of sorts. If it was fully operational and running well, it might employ 50 people. There is a small arts industry. But after that there is not a natural economy and that is a problem.

We certainly cannot close down these communities. These are people's homes and we should support them there. But we really do have to make that step of educating a generation that has the ability as Noel Pearson would say 'to walk in both worlds'. We need a generation of remote Indigenous people that feel comfortable going into the white man's world, into the outside world to work. We can only do that through education.
I am a great fan of Minister Nigel Scullion’s school attendance program. I just spent some

time on the lands with Senator Scullion a few weeks ago. We visited two of the communities

where the school attendance program was operating. On the day we were out at Pitjantjatjara,

there were 51 out of 57 students at school. That is not a bad number; that is a pretty good

number. If you are there and you go around the town with the attendance officers in the

morning, typically they will pull the bus up outside of each house, toot the horn and say,

‘Come on, you have got to get going.’ Then they will come back in 10 minutes time. If no-one

has emerged then they knock on the door and if no-one comes out then they will go out go

inside and tell the parents, tell the guardians, tell the children they need to get out of bed

because it is time to go to school. So 51 out of 57 is pretty good until you take into account

that the six children who were not at school at Pitjantjatjara that day were not in community.

They were somewhere else. Their parents are taken to taken them to the south and they were

still away. I think three children were on cultural practices. So that means the school

attendance program, if it was properly assessed, would have achieved one hundred per cent

attendance on that day.

The next day we went to Indulknar and saw pretty much the same thing. I accompanied the

school attendance officers around the town. When they worked out who was in community

and not in school, their names were read out on the town speaker system so their aunties down

the street could say, ‘You get to school. It is a school day.’ There is a lot of peer pressure

starting to be applied. At Indulknar we had a lot more families still away. It is closer to the

highway so they were still down south or wherever they might be for the summer. But we had

close to one hundred per cent attendance for those children in community. Once again, that is

a great outcome for the school attendance program.

But it still meant there were a lot of kids who were not at school on the day. That is about

parental responsibility, about making sure that the parents are in community when school is in

session. That is why I look forward to the rollout of the revamped RJCP program in July

when those people on the RJCP program will have to attend five hours of work a day, five
days a week. I have spoken to the minister about how this might be implemented. It was my

suggestion that they should be given some time for cultural practices—maybe a week or two a

year—so they could go to funerals just like the rest of us and during those periods they should

be forgiven that non-attendance. But not for too long.

All the work periods should coincide totally with the school terms. So if families are away

when school is in session, they will find their money will run out. They need to get back home

into their communities to get back on their RJCP payments. That is the other side of the

pendulum. When we can get those kids educated well enough to go away to high school and

learn to walk in both men’s world, that is when, I think, we will make real progress. I look

forward to that day.

Question agreed to.
BILLS

Tax and Superannuation Laws Amendment (2014 Measures No. 7) Bill 2014
Excess Exploration Credit Tax Bill 2014
Second Reading

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

Mr GRAY (Brand) (20:37): I should say at the outset that the opposition supports the bill in all of its parts. Schedule 1 reduces the tax penalty for making excess, non-concessional superannuation contributions. Schedule 2 transfers the tax investigation and complaint-handling function of the Commonwealth Ombudsman to the Inspector-General of Taxation, while schedule 3 establishes a legislative basis for the longstanding practice of exempting certain compensation payments from capital gains taxes. Schedule 4 ensures that the individuals whose superannuation contributions are involuntarily transferred to another fund are not disadvantaged through the transfer. Schedule 5 allows taxation officers to record or disclose protected information to support or enforce a proceeds-of-crime order, and schedule 6 introduces an exploration-development incentive to encourage investment in small mineral exploration companies undertaking greenfield mineral exploration in Australia. It provides Australian resident shareholders of junior explorers with a refundable tax offset. Schedule 7 of the bill makes a number of miscellaneous amendments to the taxation and superannuation laws.

The opposition supports this bill. I would, however, like to make some observations about the exploration tax credit. It is a measure which has been mooted for many years in Australia and over the years in fact we have had several of these facilities in place, most of them finding their way out of the legislation books as a consequence of the way in which companies had manage them or as a consequence of the measures themselves not working as designed. I believe that the government has put a lot of work into this measure, and I certainly commend the minister, Minister Macfarlane, for the tremendous amount of work that he has put into this measure over the years.

It is said and it was repeated in the speech in which this bill was presented that these measures are designed in part to reverse the slump in exploration for mineral resources. Exploration activities are critically important to Australia's resources sector. Exploration activities drive a whole economy that is around exploration—discovery, defining a resource and then pursuing a development option. Even the quickest of our projects takes years from discovery to development. I can recall being in high school the year that Roxby Downs was discovered by Western Mining and the discovery of the uranium find at Olympic Dam, which we now refer to as Roxby Downs, took place in about 1974. The first ore was extracted from that mine in the mid-1980s. Sometimes we reflect on that now and think that that was actually pretty quick time, but in reality speed to market is a key to making both our exploration and our minerals production sector more and more powerful and more and more capable.

At the end of the Labor government there was an estimated $270 billion pipeline of committed capital investments and direct employment in resource operations across our
country was 250,000 people. In the first year of the Abbott government we have seen this reduced to an employment of under 230,000 people and we have seen significant decreases in mining exploration. This has been largely driven by the commodity cycle. There is no point going out to explore for iron ore when the iron ore price is dropping below $70 and the cost of extraction can frequently be in excess of $50. The commodity cycle itself has driven a certain amount of the drying up of exploration activity. I therefore do not imagine or envisage this measure unleashing a massive avalanche of investment in exploration.

In Australia we had a flow-through share scheme similar to this in the late 1950s, and that was curtailed in 1973. The scheme that was introduced in the late 70s by the Fraser government was wound up in part by my father-in-law in 1985, when he was the federal resources minister. The schemes that were operating in the period 1958-1973 were based on providing tax deductions on funds invested in petroleum and mining companies for the purposes of exploration. The scheme was abolished because it was used for tax avoidance, and inquiries found it contributed little towards mineral exploration. The flow-through share scheme that operated in the period 1978-1985 was based on providing a rebate of 27 cents in the dollar of share capital subscribed to a petroleum or mining company. The concession applied initially to offshore exploration but was later extended to onshore exploration and it was abolished in 1985.

As we introduce and confirm this bill into the statutes of our land, we need to understand that this parliament should pay very careful attention to how it works and those companies that are utilising it. We want it to work. The latest statistics from the industry department, the Resources and Energy Quarterly, issued by the chief economist in the last quarter of last year, showed that exploration expenditure had in fact declined by 29 per cent year on year in the September quarter as lower commodity prices encouraged cost-cutting programs, including reduced exploration activity across the mineral sector. The report says:

With lower commodity prices forecast in 2014-15, a rebound in exploration expenditure appears unlikely in the short term while minerals exploration has declined, exploration for petroleum increased. However, that was driven by many different factors, usually associated with coal seam gas extraction on the east coast. The report also notes:

... the rapid decline in oil prices may affect petroleum exploration expenditure over the remainder of 2014-15.

The reality is that around the world we now see exploration rigs in the oil and gas industry lying idle and we see programs being suspended for a good reason—the global price of oil has come down. It has come down significantly and it has come down as a consequence of demand-and-supply factors. Importantly, it has also come down because of conservation measures.

When we look at exploration, we do not really see an activity that can be driven by tax measures in the way that I believe is envisaged by the construction of this bill. That is one of the many reasons that throughout 2013, whenever I was invited to speak on this subject, I spoke openly and publicly about my opposition to this measure. I will add that, at that very same time in the election campaign of 2013, Ian Macfarlane spoke long and hard in favour of this measure. As a consequence of this being one of the policy commitments of the then Liberal opposition, the then shadow minister for resources, and the government having changed and argued this case, it is my belief that this bill should be supported—and it will be.
Exploration at new deposits fell 47 per cent compared with the September quarter 2013, while exploration at existing deposits fell 18 per cent. In the September quarter alone, exploration expenditure in Western Australia fell 25 per cent year-on-year to less than $860 million. The only jurisdiction showing a difference to that was the Northern Territory, where exploration expenditure increased by 43 per cent. Every other state had shown large declines in exploration expenditure. I believe that a lot of that exploration in the Northern Territory was driven by shale gas exploration.

When we look at the other side of this cycle and look at what is actually happening in the global marketplace for our commodities, we see a salutary lesson—and it is an important lesson for policymakers looking at the indicators for the health of our economy. If you just focus on the exploration economy, you can resolve that there is a problem and that problem should be fixed by a tax break. But when you take yourself up to a higher height and look at the whole of Australia and look at the full palate of minerals and commodities that we explore for and export, you see the following picture. We see, for instance, that alumina in the last year had seen a reduction in volume of almost nine per cent. A price change was significant there, but our production volume had dropped by nine per cent. With aluminium itself, we dropped by over 16 per cent and there was a price fall of nearly 10 per cent.

But the big commodity is iron ore. In iron ore we exported an additional 100 million tonnes last year. It is worth bearing that in mind, because in 2000 the total iron ore production of Australia was 100 million tonnes. But last year we increased our production from 651 million tonnes to 774 million tonnes—virtually a 100 million tonne expansion and an increase in volume of almost 15 per cent. But, at the same time, we saw a reduction in price for iron ore of close to 25 per cent—23.7 per cent, to be precise.

So what we see in the global marketplace are healthy prices for our commodities but prices that are still substantially less than what they were at their peak. At its peak, iron ore was fetching in excess of $160 a tonne. Today, iron ore is fetching the better part of $80 less than that. If we look at thermal coal, we see a reduction in price of thermal coal in the order of 10 per cent and we see a three per cent price change for metallurgical coal. So our commodities are struggling in the international marketplace because of price changes that have happened over the course of the last year, not because of the lack of a discovery of a new Roxby Downs, a new Broken Hill, a new Mt Isa or new goldmines. The lack of exploration is driven by the commodity cycle.

Again in this report from the Chief Economist we note that Australia’s iron ore exploration expenditure had decreased 40 per cent in the September quarter year-on-year. The Chief Economist says:

The slump in the price of iron ore and the significant increase in Australian supply have reduced the incentive to search for new deposits. Based on forecast lower prices in 2015, exploration expenditure for iron ore in Australia is not expected to rebound in the short term.

If we look at other commodity groups we see identical stories. If we look at coal, we see Australia's coal exports in thermal coal under pressure on price and industries and businesses performing but, on exploration, Australia’s coal exploration expenditure in the September quarter was around $80 million—almost one per cent lower than the June quarter and a whopping 27 per cent lower than the September quarter 2013. Lower coal prices reduced the incentive to invest in exploration during 2014.
I make these points because they are based in fact, they based in information and they are based on terrific work done by very, very good Public Servants. For those of us who care about our minerals economy and about our resources sector—as I know the minister for resources does and I know we all in this place do—it is all too easy to fall for a very easy argument that says that exploration has fallen off because of the Labor government's mining taxes or exploration has fallen off because of the Labor government's taxes on carbon. That has been said in this place, and it is a shame. The real reason exploration dollars had been held back was that commodity prices have fallen.

If I look at gold, we see that Australia’s gold exploration expenditure totalled $90 million across all states in the September quarter 2014. That was down 13 per cent from the previous quarter and a whopping 32 per cent relative to the September quarter 2013. Gold exploration has decreased in Australia as gold producers, like most mining companies, are more focused on cutting costs and enhancing productivity in response to lower prices than identifying new deposits. I had the great pleasure just a few weeks ago of spending time at AngloGold Ashanti's Tropicana goldmine—a well run, safe goldmine; a goldmine run by very, very good operators in a remote part of Western Australia; a goldmine that is outperforming its production targets and which has benefited from a falling Australian dollar and from an increased gold price; a goldmine which, a few years ago, could have been doing it tough will this year and next year do very well. That is not because of any policy settings by any government but because of the commodity cycle—because of what is actually happening in gold prices.

Perhaps closer to the bone in Western Australia is nickel. Nickel has had a tough ride these last few years—from highs of in excess of $25,000 through to prices now that are often closer to the $15,000 mark per tonne. But, when we look at nickel and cobalt, we see that Australia's expenditure on nickel and cobalt on nickel and cobalt exploration in the September quarter had declined 36 per cent year on year to $24 million, although prices were higher for much of 2014. Again, the benefit of the declining Australian dollar had translated into a much better story for our nickel producers. Nickel producers tend to be at the smaller corporate end. They tend to be at the end where a dollar is a dollar, where companies have to be so cost conscious, so cost focused and so efficient at what they do that every single opportunity counts. It is in nickel that we first saw Western Australia's mining companies reducing wages not just in the corporate offices, where they layed off people and laid them off because they had to cut costs; but out on the sites they were also in the business of everyone taking a cut. There are some nickel producers in Western Australia where wage cuts in the order of 10 per cent ran through their companies in 2012-13. Those companies have done well, but exploration that was much higher in 2012-13 has seen substantial falls in the course of the last year.

Increased production in response to higher prices is expected to be achieved through the restarting of some mines that are currently in care and maintenance. That is a great story for nickel. There is a great story out there also in copper and a terrific story out there in lead. Zinc is an important commodity export for Australia and in response to higher prices exploration expenditure for zinc, lead and silver has increased by 27 per cent in the September quarter, driven by a much better price cycle. These commodity price cycles control everything in our resources sector. They control whether or not an exploration target can be developed and they control whether or not the exploration targets development will run for the natural life of that
mine and whether or not some brownfield exploration might be conducted also to extend the mine life.

I cannot emphasise enough my personal belief that these exploration activities are not driven by the taxation regime. They are driven by a belief that there are minerals out there that can be found, that there are customers out there that need those minerals, and they are driven by a great belief in the mission that our explorers have to do their jobs as well as they can do them and as safely as they can do them.

Minerals exploration in Australia in recent years has been largely supported by innovative and creative programs that have been put together by Geoscience Australia and through Geoscience Australia through state government exploration programs. Those exploration programs in South Australia like the PACE program drove the discovery of the Carrapateena resource in 2006, quite possibly the most spectacular resource discovery in Australia in the past decade. Carrapateena, a copper-gold formation near the Woomera Prohibited Area and near Roxby Downs in northern South Australia in the electorate of the member for Grey, is one of the discoveries that will drive new minerals production through the coming decade and hopefully 20 years. But it was not discovered as a consequence of a tax break for the people who went out exploring for it. It was discovered because of the prize, because of the international commodity price cycle, because of the belief of an explorer that he and his team understood the geology better than anyone else and had a scientific conviction that they could find that resource or something like it in the geology in which they were looking. That is the spirit that drives exploration. I have yet to find the explorer whose activity was driven by tax.

Having said all of that, it is with great interest that we will watch how this mechanism works. It is with great interest because it is a thoughtfully constructed mechanism. It is an expensive mechanism—it is about $100 million. But it is a mechanism that we hope will result in an industry getting more life and more vigour, that will keep more rigs at work, that will keep more of our skilled geologists and more of our exploration teams at work looking for gold, looking for copper, looking for lead and looking for those minerals that will be the future of our mining industry, and that will sustain a vibrant and capable exploration sector in Australia.

It is interesting to note that the exploration for minerals is often the best way to drive regional development. The discovery of nickel, gold or copper, or the discovery of a new iron ore belt or the discovery of uranium can drive the construction of a town, a locality or a region. You only need visit the Surat Basin or the Galilee Basin in Queensland to see how regional communities from Chinchilla through to Dalby have had new life breathed into them through first the exploration and then the production of gas through the coal seam methane industry.

This work really does create lives and gives purpose to our communities and, importantly, in the context of those discoveries and that production of coal seam methane through Queensland, will see the generation of in excess of a billion dollars to benefit the people of Queensland through royalties paid out of that industry that will build schools, roads and hospitals in Queensland, benefiting Queenslanders for future generations—for many generations to come.

In Western Australia, the iron ore mines generate royalties that support schools, roads and hospitals. So in tough times, the state of Western Australia has to be deeply conscious that the
miners themselves are under massive cost pressures, cost pressures that are driven by the
global marketplace, by virtually $80 or $90 per tonne being taken out of the price of every
one of the near 750 million tonnes of iron ore that will be produced principally out of Western
Australia in the current calendar year.

As we put in place measures that support exploration and support the resources sector, we
should not ever lose sight of how tough that industry is. While we have in our minds how
tough the industry is at this time, we should also have in mind the great and courageous steps
that have been taken by those companies currently in production to keep their businesses in
place, the tough work being done by companies like Atlas or BC Iron and the tough work
being done by our minerals producers to ensure that jobs are kept in place for the course of
the next five, 10, 15 and 20 years. I commend this bill to the House. The opposition support
this bill and we look forward to its passage through this House.

ADJOURNMENT

The SPEAKER (21:00): I propose the question:

That the House do now adjourn.

Scullin Electorate: Road and Rail Infrastructure

Mr GILES (Scullin) (21:00): Daniel Andrews and the Victorian Labor Party took to last
November's state election a vision for a better Melbourne—one which recognised the
challenges, but also the great opportunities, presented by the city's growth. I am very pleased
the people of Victoria embraced and endorsed this vision and Labor's commitment to keep
Melbourne the world's most liveable city.

Boosting public transport and removing level crossings will do much to get people to work
efficiently and ease congestion. But such investments are not just ends in themselves; they
make possible a more liveable, sustainable and productive city. They mean that people can
spend more time with their families and friends instead of being stuck at level crossings or
just stuck in traffic. They mean less pollution, too.

Victorian Labor is getting on with realising this vision for Melbourne and it is also keeping
its promises to Victorians. What has been extraordinary and revealing is that federal and
Victorian state Liberal members are calling for Victorian Labor to break its election promises.

The Prime Minister called the Victorian election a referendum on the East West Link; well,
the people have spoken. But Liberal members, having lost the argument, now want to abolish
the people. For the Liberal Party the East West tollway is an article of faith, but it is a false
idol. With a return of only 45c in the dollar, as we now know, it makes no economic sense
and ignores the regular road-use patterns of people in the suburbs. It would do nothing for
drive-in drive-out communities.

The Liberal Party in Victoria just does not get it when it comes to building cities or
building community. They continue to talk at people, rather than listening or engaging in
dialogue. In Melbourne's north today, exciting projects are underway: The Mernda rail—
extending the rail line from South Morang to Mernda—will make a big difference to the outer
north where the population, as in all of Melbourne's north, has grown at a terrific rate over the
last 10 years. And with jobs growth in Melbourne particularly concentrated in and around the
CBD, heavy rail links are especially important.
Labor will also duplicate the notorious, nearly four-kilometre stretch of Yan Yean Road in Plenty between Diamond Creek Road and Kurrak Road. Yan Yean Road is an important link in the outer northern suburbs, servicing a corridor of increasing residential development—but the current two-lane, undivided road is dangerous and congested. The promise to co-fund with the Commonwealth the new diamond interchange connecting O'Herns Road with the Hume Freeway in Epping, and to duplicate a 1.4-kilometre section of O'Herns Road east of the new interchange, resonated with residents. There is much frustration in Epping North with the lack of on-ramp access to the Hume Freeway and congestion in Epping more generally. Residents were neglected by the Baillieu and Napthine governments and made this apparent in November. I have made representations to the federal and Victorian ministers to follow this up, and I look forward to working with both of them to get this through for the benefit of these communities.

The sense of optimism in Melbourne, and certainly in Melbourne's north, is palpable since this change of state government. There is a real sense of having a government that understands urban policy and its extraordinary potential to improve people's lives and the communities in which they live. I am grateful that local governments are keen to seize this opportunity to work effectively together, and for the state government which listens to and understands our suburbs. They are collaborating, but they need a partner beyond the state government. They need—we all need—a national government that is not blind to the fact that we are the world's most urbanised nation.

Let us be clear: even when this government pretends it is uninterested and uninvolved in urban policy, it is. It is the case that the Commonwealth shapes the form of our cities—and, critically, the lives of the millions who live in them—by those decisions they refuse to engage in, like not funding urban public transport. It is a lame excuse to say it is not in the Commonwealth government's knitting to fund public transport. Now is the time for a national government to make our cities a national priority. There is a better way than this neglect and it is not too late to listen.

I spoke earlier about the possibilities for dialogue and I note that Labor, through the work of the member for Grayndler, has been filling the gap left by the present government by establishing our urban policy dialogue. This has been bringing people together—bringing stakeholders together—to build a shared vision of our urban future. It is a shared vision of that future and, critically, a vision of how a Commonwealth government that is interested in our cities and those people who live in them might realise it. This vision is critical to our nation's productivity and it is also critical to liveability and sustainability. I urge the Commonwealth government to stop neglecting four out of five Australians, to recognise the views of the Victorian people and to get on with the job of engaging in national urban policy.

**Petrie Electorate: Maternity Services**

Mr HOWARTH (Petrie) (21:05): I recently had the pleasure of meeting two women who came to my office to speak to me about birthing choices. Having a baby is one of life's great passages. I myself stood by my wife Louise over the course of her three pregnancies and three deliveries, and we now have three healthy young sons. The ladies who came to my office were Belinda Barnett from Maternity Choices Australia and Lauren Kitchener, a mother from my electorate who brought her two lovely children with her. The main issue these women
raised with me was that the National Maternity Services Plan period is set to finish up this year. It started in 2010 and will run through this year, and it has produced some good results.

There is still a need in the sector for further improvement in relation to maternity services. This includes giving women in my home state of Queensland access to high-quality and consistent midwifery care to support them as they make their transition to parenthood. I am certain I have the backing of all members in saying that women who have given birth or who are about to give birth should have access to the care they require. I am glad to hear that discussions are underway at the official level to extend the National Maternity Services Plan. I know that when my wife was in labour having our first child, William, it was just two midwives and myself that were there when the birth was happening. I kept saying to the midwife, 'Is the doctor going to get here soon? Will he be here soon?' She said, 'Yeah, yeah, he'll be here soon.' In the end he did not make it but I must say that the midwives did a fantastic job in delivering my son; they are certainly very talented at what they do.

In writing this speech I contacted Sharon Armstrong, a child health nurse and lactation consultant from Embrace Life at North Lakes, a health centre based in my electorate. I asked Sharon for her insight into women's issues during pregnancy and she said that choice and support for pregnant women is important and is not always there in parts of our region. We live in a wonderful and very progressive country. That women have access to consistent care throughout their pregnancy is very important. It is such a personal, delicate event in a woman's life. As Sharon stressed to me, having a good relationship with their midwife is essential for confident mums. They need to be in the care of a person they trust. This connection is vital to easing a woman's maternal anxiety. Currently, a pregnant woman is seen by several different people throughout her stages of maternity. It is vital that she builds relationships with people before the delivery.

Ensuring women get a choice requires a united approach between all Australian governments—state, federal and territory—all maternity health service professionals from both the public and the private sectors and Australian women and their families who use these maternity services. While some hospitals are moving faster than others in providing choice for women, I believe all hospitals understand the importance of continuity of care and moving in the right direction.

I would like to take this opportunity to thank our local hospitals—the nurses, doctors, midwives and specialists who spend a good part of their lives learning about how to best care for ours. They are remarkable people. I would also like to thank Belinda from Maternity Choices Australia for the connections that she and the organisation help pregnant women and mothers form. Life, after all, is about relationships.

**Business Enterprise Centre Ipswich Region**

*Mr NEUMANN (Blair) (21:09):* On Friday, 13 February this year the Business Enterprise Centre Ipswich Region, or BECIR, learnt that it would not receive the Commonwealth funding it requires to continue to operate in the Ipswich and West Moreton region. It will close this Friday. The Abbott government's refusal to renew BECIR's funding is a disaster for small business in Blair, Oxley and Wright. This region currently has nine per cent unemployment. It reveals a government that has abandoned small business in the Ipswich region.
BECIR is a success story. This non-profit, small business advisory service has delivered invaluable assistance to small businesses in Ipswich, the Somerset region, the Lockyer Valley and the Scenic Rim since the mid-2000s. It has also had a focus on Indigenous small business, with an incubator operating at Turley Street at Raceview for start-up businesses and those businesses in distress that need a home. BECIR supported many businesses through the global financial crisis and the floods that devastated our community in 2011 and 2013, particularly with workshops and one-on-one assistance with mentoring. Under the management of Tony Axford and now Michael Crowley, BECIR has worked to improve the health of many of the 13,400 small businesses in the region of Ipswich alone. Integral to the recovery of our region after the floods, BECIR is well regarded and respected in the Ipswich region.

I believe that, after the money that I along with Bernie Ripoll, the member for Oxley, secured for the upgraded Ipswich Motorway on the election of the Rudd government in 2007, the $1.2 million I secured for BECIR is the most important funding I have secured since being elected to this place. Ipswich Mayor Paul Pisasale said he was appalled by this decision of the Abbott government. He condemned it as short-sighted and mean-spirited. He said that small businesses in the Ipswich region have been left high and dry, and I agree with Paul.

Michael Crowley says that at any given time he can have 50 active clients and the Ipswich City Council Office of Economic Development refers at least one client per week to Michael and his team. There are 8,300 small businesses in Ipswich. According to the ABS data, each year approximately 1,200 small businesses open in Ipswich but at the moment about 1,400 businesses close. Michael has said:

It costs the Government about $700 per year for each business I support. How much will it cost the Government when their business fails and they land back on Centrelink?

There are no small business advisory services now—or there will be none—West of Brisbane, as far as the border. The nearest is at Coorparoo—which is in Brisbane—but it has to service all of SE Queensland.

You cant be "For Business" and ignore small business.

You cant be "For Jobs" and ignore small business.

You cant be "For Productivity" if you spend your resources where you have the fewest customers …

I note that the BECIR funding was provided under the Small Business Advisory Services Program, that four of the five organisations that got funding in Queensland were from Central Queensland and North Queensland, that three of the five were in LNP areas, that two-thirds of the people in Queensland live in South-East Queensland and that no small business advisory services across the Ipswich and West Moreton region will operate after this Friday. Where is the member for Wright on this? Where are the other members who get these kinds of services across the region for their small businesses?

I urge and implore the Minister for Small Business to reverse this decision. This decision is wrong. He claims he is for small business, but this funding has been cut. We know how important chambers of commerce, trade unions, service organisations, councils as well as the BECIR were in the aftermath of the floods. Those services were absolutely vital. I saw farmers and small businesses on their knees after the floods and I saw Tony and then Michael
help them day after day after day. I have been to Turley Street Raceview many times. I have seen the workshops and attended the conferences, the displays and the seminars they run. Minister, reverse this decision. Fund this service. I urge and implore you now.

Tasmania: Infrastructure

Mr HUTCHINSON (Lyons) (21:14): When I was elected in September 2013, there were, along with many smaller commitments, two fundamental things that I wanted to do in the time that I was given in this place. One was to deliver on the tranche 2 irrigation schemes and the other was to find a solution to make Bass Strait part of the National Highway. Last week I was very pleased to say I have been able to deliver on the first of those commitments. I was very pleased to welcome Prime Minister Tony Abbott to my electorate, joined by my colleagues the member for Bass and the member for Braddon. He announced a $60 million commitment from the Commonwealth, to go with $30 million from the Tasmanian government and $30 million from Tasmanian farmers, to deliver the five schemes as part of the tranche 2 irrigation round. Three of those schemes are in Lyons.

This is part of this government's commitment to infrastructure. When you are driving up the Midlands Highway you can see the work that is occurring there, and the Hobart International Airport is going through the planning phase at the moment as part of the $38 million commitment there. The infrastructure commitment that was made this week is most welcome not only to the farmers but also to the local communities in my electorate and to the state of Tasmania more broadly. If you overlay that with a piece of economic infrastructure in respect of the free trade agreement, this is a really enormous opportunity for my state. It is a culmination of an enormous amount of work from a lot of people. I am not able to list all of them now, but I would like to specifically mention the people involved with Tasmanian Irrigation. The CEO of Tasmanian Irrigation, Chris Oldfield, has been a very strong advocate, as rightly he should be. The state government, through Minister Jeremy Rockliff and Premier Will Hodgman, has been a strong advocate for this. And it goes down to the local level. In the case of the Southern Highlands scheme, I give credit to Mayor Deirdre Flint, who has been a tireless advocate for the scheme in the Bothwell-Hamilton region, which is one of the most drought-prone areas of Tasmania. She has been ably supported by Richard Hallett and local farmer John Ramsey.

The east coast of Tasmania is an area where we will undoubtedly see more viticulture and more horticulture in the form of walnuts. The scheme over there has been driven very strongly by Tim Lyne, Adam Greenhill and others. Water will be purchased by businesses such as Brown Brothers, who have a vineyard on the east coast, and Walnuts Australia, who grow fine quality walnuts in that part of Tasmania.

In the North Esk, the scheme has been driven largely by people like Marcus McShane and Amy and Ben Grubb, who will all benefit from the scheme on the North Esk River. Once the winter flood take is put into a dam there, there will be no pumping on a scheme. You will be able to generate hydro-electricity off this scheme. This is really smart engineering. Most of all, this will be creating jobs in regional Tasmania—and goodness knows we need that. And it is not just jobs, but careers in agriculture. These are the sorts of things that will open doors for more and more young people in my state.

I was very pleased a number of months ago to have the Prime Minister down to look at the largest of the schemes that we have already commissioned in Tasmania, which is the
Midlands scheme. I took him to the very small town of Tunbridge in central Tasmania. Perhaps Joseph Lyons is the only other Prime Minister who has visited the town of Tunbridge. As a direct result of the irrigation investment there, $6 billion of private capital has gone into building a dairy in what was traditionally very dry sheep and cropping country. So these are the sorts of things we are seeing. This is summer irrigation water that is 95 per cent secure. These are significant opportunities for farmers to expand their businesses. It provides them with the confidence to be able to invest and diversify.

I would point out to those on 'the big island'—'the North Island', if you will—that $1 billion of investment has gone into 15 water schemes in Tasmania, $600 million of which has come directly from farmers. Yes, 12 per cent of the nation's rainfall lands on Tasmania's landmass, which is two per cent of Australia's landmass, but this is significant by any measure. This is larger than the Ord River and it will unlock the potential of our state to deliver high-quality food and fibre to the rest of the world.

Lane, Mr Denis Christopher

Mr GRAY (Brand) (21:19): Madam Speaker, I would like to present a eulogy for Dennis Christopher 'Dinny' Lane. This is a story of a man with a big heart, of a good life, of a man who loved life and of a life well lived. It is a story of a Catholic life and it is part of the story of Western Australia's grain belt. Dinny Lane was born in Perth on 19 February 1929, the eve of the Great Depression. He was the eldest son of Florence Margaret Lane and Christopher Joseph Lane, known locally as Marj and CJ. Dinny Lane was a leader—whether in business or in the community—as part of a can-do generation that did the fundraising at the busy-bee, enjoying a cuppa or a beer afterwards and thinking, 'Now that job's done, what's next?'

Dinny was a farming leader. He was known as a man who sought professional advice to drive his business, with innovations like clover and rye grass to boost production. This same drive characterised pig production, where he pursued greater returns via direct selling to processors through weight and grade and the use of objective breeding values such as back fat testing and daily growth rates. He expanded by entering into a partnership with the D'Orsogna family, and others, to form Westpork. This was his calling until his retirement in the 1990s.

Dinny lead his family by example in work ethic, faith, community and love. Dinny Lane was always early, never late. He was dedicated to community service. He was always the last to leave—after tidying up. CJ and Marj farmed at Walgoolan, where CJ cleared land with his brother Dennis. This was not a successful venture as the Great Depression and its aftermath saw the price of wheat plunge and their machinery repossessed. They moved to another farm, in Warralakin, in 1934 which enabled Dinny to attend school with his siblings Barry, Maureen and Rosalie, my wife's mother. Times were tough. The bank owned the farm and took all the proceeds, returning some funds for superphosphate and spare parts and 30 shillings a week for housekeeping. CJ had to clear the land and fence all the paddocks.

The farm had some good years, but when grasshoppers cleared the crop overnight in 1942, CJ set out to find a better farm. He was able to sign a three-year lease on a property at North Baandee. Dinny turned 14, left school and began his working life by helping to build a new house and helping with the move from Warralakin. He began a short apprenticeship driving horses, which lasted until he was 21. Then they bought a tractor.
Dinny also worked around the district and on one job earned good wages of two pounds a week plus keep. It took two weeks wages to buy his first suit with long pants. Dinny and Barry went shearing, which earned them enough money to start share farming at Doodlakine and at Hines Hill. They continued shearing to supplement their income. During these years Dinny's social life revolved around the church, dances, family times, cricket, football and tennis. Dinny met Elizabeth Williams through Maureen and Rose, who all went to school in Kellerberrin. Elizabeth, known locally as Tiny, worked as a telephonist at the Kellerberrin PMG. Dinny and Tiny married on 13 April 1955.

Dinny took on a property at Nokaning. One of the points in favour of this property was its proximity to scheme water drawn from C Y O'Connor's pipeline to Kalgoorlie. Dinny took on contract shearing to bring in a regular income and he ran a few pigs. Shearing took him away from the property, leaving Tiny on her own with their first son, Phillip. Sometimes as Dinny drove home at the end of the day's shearing and he knew, if there were no lights on, the generator had failed. Dinny decided that he could run more pigs and be at home all the time. This was the beginning of a long innovative career in the pig industry. It also kept the generator running all day.

Over the years, guided by strong faith and love, Dinny and Tiny were blessed by the births of Yvonne, Heather, Ian and Kerry. Together they bore the tragic loss of Kevin and Phillip. In the early 1970s Dinny applied to the bank for a loan to build a new house for their growing family and to build some pig sheds for his growing herd. In 1972 Nokaning Farms partnership was formed with the Maughan families and Ray Snell, joining the farms together to better manage semi-intensive farming, lowering the costs of production. Dinny managed the newly established intensive Nokaning Piggery. Although Dinny retired in the 1990s, he never completely left the farm, maintaining status of Chairman of the Board, keeping an eye out for the latest ideas and enjoying seeing the advances in agricultural technology. Dinny established a successful family business that has extended into the three generations.

Dinny was involved in community and sporting groups. A local commented, 'Dinny can go from one meeting to the another, change hats and make a worthy contribution to the next.' Some of those activities included Junior Farmers, tennis club, the football club and Eastern Districts Football League, the Bush Fire Brigade, the Hall committee St Mary's Catholic Church, the Knights of the Southern Cross, school organisations, WA Farmers, the Western Australian and federal pork industry advisory councils, the Merredin Repertory Club and the Merredin Civic Bowling Club. Dinny was a Merredin Shire councillor for 12 years. There was the Merrittville Retirement Village, Beringa Frail Aged Hostel and Permanent Care Nursing Home, the Merredin Senior Centre and the men's shed.

Tiny kept the home fires or the chip heater burning. Whether Dinny was heading off to the eastern states for some meeting or other, off to the ag show or off to Perth in the truck, Tiny managed the family home.

Dinny was the patriarch of a strong family. The eldest of his generation, he was a guide, mentor and supportive friend to all. Dinny's faith and matter-of-fact outlook was a source of comfort, support and direction.

Family and social events were treasured times. Dinny was a keen participant. He enjoyed the company of family and friends, often telling stories and tales of past times. His rapport with the younger generation grew from an interest in their lives and in innovation.
In retirement Dinny and Tiny travelled north, south, east and west in their four-wheel drive ute and caravan. Dinny suffered ill health since turning 80 but was appreciative that he was able to benefit from the advances in modern medicine. Dinny died suddenly. We are grateful that he went quickly and peacefully at Merredin hospital on Friday, 16 January 2015, when finally his big and generous heart failed.

Swan-Canning River Recovery Program

Mr IRONS (Swan) (21:25): Those members who are from or have visited Western Australia would recognise the beauty of our natural rivers. I am fortunate to have my electorate bounded by two of Perth's most iconic rivers: the Swan River in the north and west and the Canning River in the south. My wife, who has been in Perth for three years now, was amazed at the breadth and the beauty of the Swan River and now—I see the member for Higgins here—refers to the Yarra River as a creek!

Although these are iconic river systems for my electorate and for Perth as a whole, they are also environmentally sensitive and present major challenges to governments of all levels in developing mechanisms to maintain their future biodiversity. This is a challenge which I recognised prior to being elected as the member for Swan, and I have worked hard to gain funding to assist with since being elected, including making it one of my key election commitments at both the 2010 and 2013 elections.

Unfortunately, neither the Labor Party nor the Greens recognised the level of degradation that was taking place in the Swan and Canning rivers during their six years in government despite my best efforts to alert them. As a result, each of these wetland areas is now in need of a great amount of work to stop this degradation in its tracks and to develop maintenance measures that will prevent further contamination of the river system's biodiversity and riverbanks in the future.

As I have highlighted previously in this place, we have seen such a high level of degradation because of the rivers' unfortunate use as a rubbish tip, the dumping of toxic waste at Castledare in Wilson, the dumping of asbestos and the introduction of non-native species and weeds, including Hydrocotyle, into the river systems. For those members who do not know, Hydrocotyle is an imported pest weed which has an extraordinarily high growth rate and requires significant resources to combat it. I am pleased to inform the House that shadow environment minister Greg Hunt took a keen interest in this environmental hazard and visited Swan on numerous occasions to see how it was affecting the river systems firsthand. We also had the Leader of the Opposition, who is now the Prime Minister, visit and had him pulling weeds on the banks of the Canning River. The Minister for the Environment took the first opportunity to deliver the funding by committing $1 million under the Swan-Canning River Recovery Program in the 2014-15 budget papers, and I must say it was great to seek this actually in black ink.

Just last month I had the great pleasure of welcoming Minister Hunt back to Swan to formally launch the program and to introduce him to many members of the local steering group and representatives from Perth Region Natural Resource Management Inc, who will manage the project. I am pleased to inform members that this steering group consists of many people with expertise in delivering local environmental projects and who have already done much work to contribute to the rivers' long-term health in the geographic area this program is targeting. This includes representatives from Perth's well-respected independent natural
resource management body, Sercul; a number of action or catchment groups who have previously conducted environmental works in the Swan and Canning regions, such as the Wilson Wetlands Action Group; a representative from the Department of the Environment and a representative from my office. Under this important two-year environmental initiative, $500,000 will be dedicated to weed eradication, $400,000 for practical community action and $100,000 to local education to improve the water quality and habitats of these river systems.

The steering group has already discussed a number of environmental education initiatives being undertaken in schools by various providers across Western Australia with a view of utilising this funding to expand one of these school-based initiatives in my electorate of Swan. An example of one program which has been discussed during the steering group's meetings is the Phosphorous Awareness Project being run by Sercul. This project is linked to the National Curriculum Framework and uses a range of school incursions and excursions to help students learn how we can keep our rivers healthy and how our river systems work, including its catchments, nutrients and natural species.

I look forward to works progressing as soon as practical and witnessing the river systems biodiversity improve through this $1 million Swan-Canning River Recovery Program, which I once again highlight would not have been possible without this government's commitment to environmental programs such as the Coastal River Recovery Initiative or our Green Army projects.

The SPEAKER: It being 9:30 pm, the debate is interrupted.

House adjourned at 21:30

NOTICES

The following notice(s) were given:

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

Mr Dutton to present a Bill for an Act relating to the Australian Border Force, the Australian Border Force Commissioner and persons performing work for the Department, and for related purposes.

Mr Dutton to present a Bill for an Act to amend legislation relating to Customs and other legislation in relation to the enactment of the Australian Border Force Act 2015, and for related purposes.

Mr Tudge to present a Bill for an Act to amend the Aboriginal and Torres Strait Islander Peoples Recognition Act 2013, and for related purposes.

Mr Pyne to present a Bill for an Act to amend the National Vocational Education and Training Regulator Act 2011, and for other purposes.

Ms O’Neil to move:

That this House:

(1) acknowledges that:

(a) there is a significant, ongoing and growing need for emergency relief, financial counselling and related programs, to support the most vulnerable Australians;

(b) local organisations play a critical role in the delivery of these programs around Australia; and
(c) volunteers are a crucial and valued part of this network;

(2) condemns the Government for:
   (a) cutting core social services to the most vulnerable Australians, while increasing demand for those services through other elements of their unfair budget; and
   (b) the covert way in which funding decisions have been made and implemented; and

(3) calls on the Government to:
   (a) restore funding to social services; and
   (b) provide clarity and funding certainty to affected housing, homelessness services, neighbourhood centres, advice bureaus and other community service providers around Australia.

Ms Parke to move:
That this House:

(1) notes:
   (a) revelations that certain brands of imported frozen berries grown and/or packaged in China are suspected of having infected Australians with Hepatitis A through contamination with faecal matter;
   (b) that Food Standards Australia and New Zealand presently only require 5 per cent of frozen berries imported into Australia to be tested and even then, not for Hepatitis A;
   (c) that local berry growers are subject to demanding chemical and biological testing and inspection procedures at the growers’ expense;
   (d) that consumers who want to know where their food comes from face confusing country of origin labelling, for instance, the words ‘made in Australia’ can mean that all of the ingredients are made or grown elsewhere but are packaged in Australia;
   (e) that this is an important public health issue demanding a strong Government response in the areas of food standards and food labelling; and
   (f) that consumers are entitled to have:
      (i) confidence that the food they buy for themselves and their children is safe; and
      (ii) detailed information as to its ingredients and origins; and

(2) calls on the Government to ensure comprehensive testing of food imports to Australia and appropriate labelling of food with regard to ingredients and origin.

Ms Parke to move:
That this House:

(1) notes the:
   (a) recently released Human Rights Commission report entitled ‘The Forgotten Children’; and
   (b) findings of the Commission that:
      (i) prolonged detention results in profound negative impacts on the mental and emotional health of children;
      (ii) immigration detention is a dangerous place for children, with 128 children self-harming, 233 assaults, and 33 reported incidents of sexual assault against children during a 15 month period commencing in January 2013;
      (iii) Australia is unique in its harsh treatment of asylum seeker children;
      (iv) holding children in detention does not deter either asylum seekers or people smugglers; and
      (v) the mandatory and prolonged immigration detention of children is in clear violation of international human rights law;
(2) resolves that violence and severe mental and emotional distress, assaults and sexual abuse of children are not an acceptable part of Australia’s approach to asylum seekers;

(3) calls upon the Government to fully implement the recommendations of the Human Rights Commission, including releasing all children in immigration detention and their families into the community as soon as practicable and establishing a royal commission into the long term impact of detention on the health of children in immigration detention; and

(4) commends the Human Rights Commission for its important work on the report ‘The Forgotten Children’.

Ms Brodtmann to move:

That this House:

(1) notes the widespread and systematic campaign of persecution of Baha’is in Iran, with more than 110 Baha’is currently imprisoned due to their religious beliefs;

(2) condemns the treatment of Baha’is in Iran, which includes economic and educational discrimination, strict limits on the right to assemble and worship, as well as the threat of raids, arrests and detention or imprisonment;

(3) commends the recent resolution by the United Nations General Assembly in which it expressed its ‘deep concern at serious ongoing and recurring human rights violations’ in Iran; and

(4) calls for an end to the persecution of the Baha’is in Iran.

Ms McGowan to move:

That this House:

(1) notes that:

(a) the Government has committed $100 million (GST exclusive) over four years to the delivery of the Mobile Black Spot Programme (MBSP);

(b) the MBSP is expected to provide around 250 to 300 new or upgraded mobile base stations across Australia;

(c) more than 6,000 locations around Australia have been nominated by the public, local councils, state government, community representatives and businesses as having ineffective or non-existent mobile phone reception; and

(d) the future viability and safety of communities in rural Australia and the electoral division of Indi are dependent on effective mobile phone coverage; and

(2) calls on the Government to allocate significant additional funding to the MBSP in 2015-16 to provide additional new and upgraded mobile base stations across Australia.

Mr Katter to present a Bill for an Act to provide for warning labels in relation to imported food, and for related purposes.