COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES

House of Representatives

Official Hansard

No. 16, 2015
Wednesday, 21 October 2015

FORTY-FOURTH PARLIAMENT
FIRST SESSION—SEVENTH PERIOD

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SITTING DAYS—2015

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—SEVENTH PERIOD

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

House of Representatives Office holders
Speaker—Hon. Anthony David Hawthorn Smith
Deputy Speaker—Hon. Bruce Craig Scott MP
Second Deputy Speaker—Mr Robert George Mitchell MP
Members of the Speaker’s Panel—Mr Russell Evan Broadbent MP,
Ms Anna Elizabeth Burke MP, Ms Sharon Catherine Claydon MP,
Hon John Kenneth Cobb MP, Mr Patrick Martin Conroy MP,
Mr Ian Reginald Goodenough MP, Mrs Natasha Louise Griggs MP,
Ms Sarah Moya Henderson MP, Mr Stephen James Irons MP,
Mr Craig Kelly MP, Ms Michelle Leanne Landry MP, Ms Clare Ellen O'Neil, MP,
Mrs Jane Prentice MP, Ms Melissa Lee Price MP,
Dr Andrew John Southcott MP, Mr Michael Sukkar MP,
Mr Ross Xavier Vasta 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. Malcolm Bligh Turnbull MP
Deputy Leader—Hon. Julie Isabel Bishop MP
Chief Government Whip—Ms Nola Bethwyn Marino MP
Government Whips—Mr Ewen Thomas Jones MP and Mr Brett David Whiteley MP

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

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

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<td>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>
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</table>
### Members of the House of Representatives

<table>
<thead>
<tr>
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<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>
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<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—Katter's 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
Acting Secretary, Department of Parliamentary Services—D Heriot
Parliamentary Budget Officer—P Bowen
# Turnbull Ministry

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</thead>
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<tr>
<td>Prime Minister</td>
<td>Hon Malcolm Turnbull MP</td>
</tr>
<tr>
<td>Minister for Indigenous Affairs</td>
<td>Senator Hon Nigel Scullion</td>
</tr>
<tr>
<td>Minister for Women</td>
<td>Senator Hon Michaelia Cash</td>
</tr>
<tr>
<td>Cabinet Secretary</td>
<td>Senator Hon Arthur Sinodinos AO</td>
</tr>
<tr>
<td><strong>Minister Assisting the Prime Minister for the Public Service</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Minister Assisting the Prime Minister for Digital Government</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Minister Assisting the Prime Minister for Counter Terrorism</strong></td>
<td></td>
</tr>
<tr>
<td>Assistant Minister to the Prime Minister</td>
<td>Hon Alan Tudge MP</td>
</tr>
<tr>
<td>Assistant Minister to the Prime Minister</td>
<td>Senator Hon James McGrath</td>
</tr>
<tr>
<td>Assistant Minister for Productivity</td>
<td>Hon Dr Peter Hendy MP</td>
</tr>
<tr>
<td>Assistant Cabinet Secretary</td>
<td>Senator Hon Scott Ryan</td>
</tr>
<tr>
<td>Minister for Infrastructure and Regional Development (Deputy Prime Minister)</td>
<td>Hon Warren Truss MP</td>
</tr>
<tr>
<td>Minister for Resources, Energy and Northern Australia</td>
<td>Hon Josh Frydenberg MP</td>
</tr>
<tr>
<td>Minister for Territories, Local Government and Major Projects</td>
<td>Hon Paul Fletcher MP</td>
</tr>
<tr>
<td>Assistant Minister to the Deputy Prime Minister</td>
<td>Hon Michael McCormack MP</td>
</tr>
<tr>
<td>Minister for Foreign Affairs</td>
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<tr>
<td>Minister for Trade and Investment</td>
<td>Hon Julie Bishop MP</td>
</tr>
<tr>
<td>Minister for International Development and the Pacific</td>
<td>Hon Andrew Robb AO MP</td>
</tr>
<tr>
<td>Minister for Tourism and International Education</td>
<td>Hon Steven Ciobo MP</td>
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<tr>
<td><strong>Minister Assisting the Minister for Trade and Investment</strong></td>
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<tr>
<td>Attorney-General</td>
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</tr>
<tr>
<td>(Vice-President of the Executive Council)</td>
<td>Senator Hon George Brandis QC</td>
</tr>
<tr>
<td>(Leader of the Government in the Senate)</td>
<td></td>
</tr>
<tr>
<td>Minister for Justice</td>
<td>Hon Michael Keenan MP</td>
</tr>
<tr>
<td>Assistant Minister for Multicultural Affairs</td>
<td>Senator Hon Concetta Fierravanti-Wells</td>
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<tr>
<td>Treasurer</td>
<td></td>
</tr>
<tr>
<td>Minister for Small Business</td>
<td>Hon Kelly O’Dwyer MP</td>
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<tr>
<td>Assistant Treasurer</td>
<td>Hon Kelly O’Dwyer MP</td>
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<tr>
<td>Assistant Minister to the Treasurer</td>
<td>Hon Alex Hawke MP</td>
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<tr>
<td>Minister for Finance</td>
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<tr>
<td>(Deputy Leader of Government in the Senate)</td>
<td>Senator Hon Mathias Cormann</td>
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<tr>
<td>Special Minister of State</td>
<td>Hon Mal Brough MP</td>
</tr>
<tr>
<td>Minister for Agriculture and Water Resources</td>
<td>Hon Barnaby Joyce MP</td>
</tr>
<tr>
<td>Assistant Minister for Agriculture and Water Resources</td>
<td>Senator Hon Anne Ruston</td>
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<tr>
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<tr>
<td>(Leader of the House)</td>
<td>Hon Christopher Pyne MP</td>
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<tr>
<td>Assistant Minister for Science</td>
<td>Hon Karen Andrews MP</td>
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<tr>
<td>Assistant Minister for Innovation</td>
<td>Hon Wyatt Roy MP</td>
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<tr>
<td>Title</td>
<td>Minister</td>
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<tr>
<td>Minister for Immigration and Border Protection</td>
<td>Hon Peter Dutton MP</td>
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<tr>
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<td>Senator Hon Concetta Fierravanti-Wells</td>
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<tr>
<td>Minister for the Environment</td>
<td>Hon Greg Hunt MP</td>
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<tr>
<td>Minister for Cities and the Built Environment</td>
<td>Hon Jamie Briggs MP</td>
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<tr>
<td>Minister for Health</td>
<td>Hon Sussan Ley MP</td>
</tr>
<tr>
<td>Assistant Minister for Health</td>
<td>Hon. Ken Wyatt MP</td>
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<tr>
<td>Minister for Sport</td>
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<tr>
<td>Minister for Rural Health</td>
<td>Senator Hon Fiona Nash</td>
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<td>Minister for Defence</td>
<td>Senator Hon Marise Payne</td>
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<tr>
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<tr>
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<td>Hon Stuart Robert MP</td>
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<tr>
<td>Minister for Defence Materiel and Science</td>
<td>Hon Mal Brough MP</td>
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<tr>
<td>Assistant Minister for Defence</td>
<td>Hon Darren Chester MP</td>
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<tr>
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<td>Senator Hon Mitch Fifield</td>
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<tr>
<td>Minister for the Arts</td>
<td>Senator Hon Mitch Fifield</td>
</tr>
<tr>
<td>(Manager of Government Business in the Senate)</td>
<td></td>
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<tr>
<td>Minister for Employment</td>
<td>Senator Hon Michaelia Cash</td>
</tr>
<tr>
<td>Minister for Social Services</td>
<td>Hon Christian Porter MP</td>
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<tr>
<td>Minister for Human Services</td>
<td>Hon Stuart Robert MP</td>
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<td>Senator Hon Concetta Fierravanti-Wells</td>
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<tr>
<td>Minister for Education and Training</td>
<td>Senator Hon Simon Birmingham</td>
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<tr>
<td>Minister for Vocational Education and Skills</td>
<td>Hon Luke Hartsuyker MP</td>
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<tr>
<td>(Deputy Leader of the House)</td>
<td></td>
</tr>
<tr>
<td>Minister for Tourism and International Education</td>
<td>Senator Hon Richard Colbeck</td>
</tr>
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Each box represents a portfolio. Cabinet Ministers are shown in bold type. As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases. Assistant Ministers in italics are designated as Parliamentary Secretaries under the Ministers of State Act 1952.
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<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 on State and Territory Relations</td>
<td>Senator Katy Gallagher*</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 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>Hon Ed Husic MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary Assisting with Digital Innovation</td>
<td></td>
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<tr>
<td>and Startups</td>
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<tr>
<td>Deputy Manager of Opposition Business (Senate)</td>
<td>Terri Butler M</td>
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<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
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<tr>
<td>Deputy Leader of the Opposition</td>
<td>Hon Tanya Plibersek MP</td>
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<tr>
<td>Shadow Minister for Foreign Affairs and International Development</td>
<td>Hon Matt Thistlethwaite MP</td>
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<tr>
<td>Leader of the Opposition in the Senate</td>
<td>Senator the Hon Penny Wong</td>
</tr>
<tr>
<td>Shadow Minister for Trade and Investment</td>
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</tr>
<tr>
<td>Shadow Assistant Minister for Trade and Investment</td>
<td>Dr Jim Chalmers MP</td>
</tr>
<tr>
<td>Deputy Leader of the Opposition in the Senate</td>
<td>Senator the Hon Stephen Conroy</td>
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<tr>
<td>Shadow Minister for Defence</td>
<td>Hon David Feeney MP</td>
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<tr>
<td>Shadow Minister for Veterans’ Affairs</td>
<td>Hon David Feeney MP</td>
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<tr>
<td>Shadow Minister for the Centenary of ANZAC</td>
<td>Hon David Feeney MP</td>
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<td>Gai Brodtmann MP</td>
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<tr>
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<tr>
<td>Shadow Assistant Treasurer</td>
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<tr>
<td>Shadow Parliamentary Secretary for the Environment, Climate Change and Water</td>
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<tr>
<td>Shadow Minister for Higher Education, Research, Innovation and Industry</td>
<td>Sen Hon Lisa Singh</td>
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<tr>
<td>Shadow Minister for Vocational Education</td>
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</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>Nick Champion MP</td>
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<tr>
<td>Shadow Minister for Communications</td>
<td>Hon Jason Clare MP</td>
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<tr>
<td>Shadow Attorney General</td>
<td>Hon Mark Dreyfus QC MP</td>
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<td>Shadow Minister for the Arts</td>
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<tr>
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<tr>
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<td>Julie Owens MP</td>
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<td>Senator Sam Dastyari</td>
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<tr>
<td>Shadow Minister for Ageing</td>
<td>Hon Shayne Neumann MP</td>
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<tr>
<td>Shadow Minister for Mental Health</td>
<td>Senator Katy Gallagher</td>
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<tr>
<td>Shadow Minister for Sport</td>
<td>Dr Jim Chalmers MP</td>
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<tr>
<td>Shadow Assistant Minister for Health</td>
<td>Stephen Jones MP</td>
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<tr>
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<tr>
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<td>Senator Katy Gallagher*</td>
</tr>
<tr>
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<td>Senator the Hon Doug Cameron</td>
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<tr>
<td>Shadow Minister for Communities</td>
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<tr>
<td>Shadow Parliamentary Secretary for Families and Payments</td>
<td>Senator Carol Brown</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Child Safety and Prevention of Family Violence</td>
<td>Terri Butler MP</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>
</tbody>
</table>
Shadow Cabinet Ministers are shown in bold type.

* Senator Katy Gallagher’s appointment to the Shadow Ministry is effective from 1 November 2015. Senator the Hon Jan McLucas will serve as Shadow Minister for Housing and Homelessness and Shadow Minister for Mental Health, and represent the Shadow Minister for Northern Australia, the Shadow Minister for Health, the Shadow Assistant Minister for Health, the Shadow Minister for Sport and the Shadow Minister for Indigenous Affairs in the Senate until 31 October 2015.
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The SPEAKER (Hon. Tony Smith) took the chair at 09:00, made an acknowledgement of country and read prayers.

COMMITTEES
Selection Committee

Report

The SPEAKER (09:01): I present report No. 35 of the Selection Committee relating to the consideration of committee and delegation business and private members' business on Monday, 9 November 2015. The report will be printed in the Hansard for today and the committee's determinations will appear on tomorrow's Notice Paper. Copies of the report have been placed on the table.

The report read as follows—

Report relating to the consideration of committee and delegation business and of private Members' business
1. The committee met in private session on Tuesday, 20 October 2015.
2. The committee determined the order of precedence and times to be allotted for consideration of committee and delegation business and private Members' business on Monday, 9 November 2015, as follows:

Items for House of Representatives Chamber (10.10 am to 12 noon)
COMMITTEE AND DELEGATION BUSINESS
Presentation and statements
1 Standing Committee on Procedure:
Inquiry into the adequacy of provisions for nursing mothers in the House of Representatives
The Committee determined that statements may be made—all statements to conclude by 10.15 am.
Speech time limits—
Dr Southcott—5 minutes.
[Minimum number of proposed Members speaking = 1 x 5 mins]

PRIVATE MEMBERS’ BUSINESS
Notices
1 MRS PRENTICE: To move:
That this House:
(1) recognises that Wednesday 11 November marks Remembrance Day, the 97th anniversary of the Armistice which ended World War I;
(2) commemorates the sacrifice of the more than 60,000 Australians who were killed in World War I, and the 156,000 wounded, gassed or taken prisoner;
(3) recognises the contribution of the more than 1000 Indigenous Australians who fought in World War I;
(4) notes that by the number of deaths and casualties, World War I remains the most costly conflict in Australian history; and
(5) calls on all Australians to observe one minute’s silence at 11 am, in memory of those who have died or suffered in wars and conflict.

(Notice given 13 October 2015.)

Time allotted—30 minutes.

Speech time limits—
Mrs Prentice—5 minutes.
Other Members—5 minutes each.

[Minimum number of proposed Members speaking = 6 x 5 mins]

The Committee determined that consideration of this should continue on a future day.

2 MR FITZGIBBON: To move:

That this House:

(1) acknowledges that the United Nations General Assembly has declared 2015 as the International Year of Soils (IYS);

(2) notes that:

(a) the IYS aims to be a platform for raising awareness of the importance of sustainable soil management as the basis for food systems, fuel and fibre production, essential ecosystem functions and better adaptation to climate change for present and future generations; and

(b) the objectives of the IYS are to:

(i) create awareness of the fundamental roles of soils for human life;

(ii) achieve recognition of the prominent contributions of soils to food security, climate change adaptation and mitigation, essential ecosystem services, poverty alleviation and sustainable development;

(iii) promote effective policies and actions for the sustainable management and protection of soil resources;

(iv) educate decision makers about the need for robust investment in sustainable soil management activities aimed at healthy soils for different land users and population groups; and

(v) advocate for rapid enhancement of capacities and systems for soil information collection and monitoring at all levels (global, regional and national); and

(3) commits to promoting the importance of healthy soils and encouraging the adoption of regenerative landscape management practices throughout the year, including celebration of World Soil Day on 5 December 2015.

(Notice given 11 August 2015.)

Time allotted—10 minutes.

Speech time limits—
Mr Fitzgibbon—5 minutes.
Next Member—5 minutes.

[Minimum number of proposed Members speaking = 2 x 5 mins]

The Committee determined that consideration of this should continue on a future day.
3 MR IRONS: To move:

That this House:

(1) recognises that thousands of Australians received a spinal injection of the chemical dye Iophendylate (marked as Pantopaque and Myodil) and that many now suffer from the painful disease adhesive arachnoiditis;

(2) acknowledges the recommendations in the report Living with the pain of adhesive arachnoiditis: Report on the roundtable into adhesive arachnoiditis presented by the Standing Committee on Health and Ageing on 11 February 2013 and calls for all recommendations to be implemented; and

(3) encourages all Members of Parliament to be aware of the condition and support members of their community suffering from adhesive arachnoiditis.

(Notice given 19 October 2015.)

Time allotted—20 minutes.

Speech time limits—

Mr Irons—5 minutes.

Other Members—5 minutes each.

[Minimum number of proposed Members speaking = 4 x 5 mins]

The Committee determined that consideration of this should continue on a future day.

4 MR CHAMPION: To move:

That this House:

(1) notes:

(a) the importance of rural and regional newspapers in providing a vital service to the towns and regional communities they cover; and

(b) that maintaining a viable rural and regional press is in the interest of regional communities; and

(2) recommends that the Government:

(a) considers reviewing the amount of government advertising in regional papers;

(b) recognises the significance of its decisions regarding government advertising and the impact that these decisions can have on regional publications; and

(c) stops discriminating against newspapers which service rural and regional areas through its changes to government advertising.

(Notice given 20 August 2015.)

Time allotted—30 minutes.

Speech time limits—

Mr Champion—5 minutes.

Other Members—5 minutes each.

[Minimum number of proposed Members speaking = 6 x 5 mins]

The Committee determined that consideration of this should continue on a future day.

5 MR CHRISTENSEN: To move:

That this House:

(1) congratulates the Government on its support of development in north and central Queensland with its White Paper on Developing Northern Australia;

(2) acknowledges the contribution of the Government to:
(a) water infrastructure in north Australia through its $500 million National Water Infrastructure Development Fund; and
(b) key infrastructure in north Australia through its $5 billion Northern Australia Infrastructure Facility;
(3) congratulates the Government on its support of water projects throughout northern Australia including Nullinga Dam and the development of the Ord River Irrigation Scheme;
(4) calls on the Government to support the construction of the Urannah Dam;
(5) notes that the:
   (a) damming of Urannah Creek in the Whitsunday region would open up 30,000 hectares of new agricultural land;
   (b) new agricultural land will have the potential to triple the current cane production industry in the region and double the size of other agricultural production; and
   (c) Urannah Dam will develop water sources and power supplies to service the growing mining and agricultural industries in the Whitsunday region;
(6) further notes that the:
   (a) development of the project has the potential to double the current agriculture workforce in the region;
   (b) dam has the capacity to generate $323 million over 25 years; and
   (c) development of industry in the region will help to repopulate the Collinsville community; and
(7) calls for the support of federal, state and local governments in providing supportive policy in order to aid the progress of the Urannah Dam especially in allowing private investment in the project.
(Notice given 20 October 2015.)

Time allotted—remaining private Members’ business time prior to 12 noon.

Speech time limits—
Mr Christensen—5 minutes.
Other Members—5 minutes each.
[Minimum number of proposed Members speaking = 3 x 5 mins]

The Committee determined that consideration of this should continue on a future day.

Items for Federation Chamber (11 am to 1.30 pm)
PRIVATE MEMBERS’ BUSINESS

Notices

1 MS MACTIERNAN: To move:

That this House:

(1) expresses concern at the culture of secrecy prevalent in the Government and the serious undermining of the core principles enshrined in the freedom of information legislation;
(2) notes the Government has:
   (a) defunded the Office of the Australian Information Commissioner (OAIC) despite failing to pass its legislation to abolish the office; and
   (b) failed to advance Australia’s application for the Open Government Partnership (OGP); and
(3) calls on the Government to abandon its attack on the OAIC and provide it with proper funding, and recommit to joining the OGP.
(Notice given 20 October 2015.)
Time allotted—20 minutes.

Speech time limits—

Ms MacTiernan—5 minutes.
Other Members—5 minutes each.

[Minimum number of proposed Members speaking = 4 x 5 mins]

The Committee determined that consideration of this should continue on a future day.

2 DR STONE: To move:

That this House:

(1) acknowledges:

(a) and applauds the efforts of Australian primary producers as they work to protect and rehabilitate the natural environment, often in conditions of extreme hardship;
(b) that Australian farmers have replanted the landscape via Landcare and the 20 Million Trees Programme;
(c) the personal commitment of Australian farmers to replanting the landscape; and
(d) that Victorian Farmers have won the fight against high saline water tables caused by tree clearing for mining and urban development in the 1800s;

(2) applauds the:

(a) environmental codes of conduct and farmers' voluntary compliance as applied to food growers by our local food manufacturers and retailers; and
(b) clean green image developed by Australia's food producers which adds great value to our food exports and domestic markets; and

(3) calls on the Government to designate a National Day of Australian Farming that celebrates their great achievements and their contributions to the nation.

(Notice given 20 October 2015.)

Time allotted—30 minutes.

Speech time limits—

Dr Stone—5 minutes.
Other Members—5 minutes each.

[Minimum number of proposed Members speaking = 6 x 5 mins]

The Committee determined that consideration of this should continue on a future day.

Orders of the day

1 SYRIA AND IRAQ CRISIS: Resumption of debate (from 19 October 2015) on the motion of Ms Plibersek:

That this House calls on the Minister for Foreign Affairs to support a parliamentary debate during the current sitting on the Australian Government's strategy in response to the crisis in Syria and Iraq.

Time allotted—20 minutes.

Speech time limits—

All Members—5 minutes each.

[Minimum number of proposed Members speaking = 4 x 5 mins]

The Committee determined that consideration of this should continue on a future day.
2 MARRIAGE LEGISLATION AMENDMENT BILL 2015 (Mr Entsch): Second reading—
Resumption of debate (from 19 October 2015).

Time allotted—10 minutes.

Speech time limits—
  All Members—5 minutes each.

[Minimum number of proposed Members speaking = 2 x 5 mins]

The Committee determined that consideration of this should continue on a future day.

Notices—continued

3 MS HALL: To move:
  That this House:
  (1) notes that:
    (a) November is Lung Health Awareness Month;
    (b) 17 November 2015 is International Lung Cancer Awareness Day; and
    (c) 18 November 2015 is World Chronic Obstructive Disease Day;
  (2) also notes that:
    (a) lung diseases such as asthma, lung cancer and influenza contribute to more than 10 per cent of the overall health burden in Australia; and
    (b) three out of five Australian adults studied by the Lung Foundation Australia reported symptoms that put them at risk of contracting lung disease;
  (3) recognises the personal and financial impact that lung disease has on patients; and
  (4) acknowledges the effectiveness of pulmonary rehabilitation for treating chronic lung diseases.

  (Notice given 20 October 2015.)

Time allotted—20 minutes.

Speech time limits—
  Ms Hall—5 minutes.
  Other Members—5 minutes each.

[Minimum number of proposed Members speaking = 4 x 5 mins]

The Committee determined that consideration of this should continue on a future day.

4 MRS PRENTICE: To move:
  That this House:
  (1) recognises that Australia's state and territory capitals and other major cities are home to more than two in every three Australians;
  (2) notes that the population of most Australian cities is projected to increase in the coming decades, creating additional challenges in managing planning, congestion and urban amenity;
  (3) recognises that the Parliamentary Friendship Group for Better Cities was established in 2014 with the aim of working together to make Australia's capital and major cities more liveable, resilient and productive;
  (4) congratulates the Prime Minister and the Government for recognising cities policies as a priority of government through the appointment of a Minister for Cities and the Built Environment; and
  (5) encourages all Members to continue to give strong support to the wellbeing of Australian cities.

  (Notice given 13 October 2015.)
Time allotted—remaining private Members’ business time prior to 1.30 pm.

Speech time limits—
Mrs Prentice—5 minutes.
Other Members—5 minutes each.

[Minimum number of proposed Members speaking = 10 x 5 mins]

The Committee determined that consideration of this should continue on a future day.

BILLS

Health Insurance Amendment (Safety Net) Bill 2015

First Reading

Bill and explanatory memorandum presented by Ms Ley.

Bill read a first time.

Second Reading

Ms LEY (Farrer—Minister for Health, Minister for Sport and Minister for Aged Care) (09:02): I move:

That this bill be now read a second time.

This bill amends the Health Insurance Act 1973 to remove the two existing Medicare safety nets and the Greatest Permissible Gap, and replace them with a new and simpler Medicare safety net.

This bill will result in savings of around $266.7 million over five years.

This amendment will ensure that a strong safety net continues to protect all Australians from high out-of-pocket costs for medical services provided out of hospital. It will also address many of the known equity and complexity issues of the current arrangements.

The current arrangements that assist families with their expenses for medical services include the Extended Medicare Safety Net, the Original Medicare Safety Net and the Greatest Permissible Gap. These arrangements provide additional benefits to individuals and families that have high out-of-pocket costs for out-of-hospital services. The services assisted include GP and specialist attendances and services provided in private clinics and private emergency departments.

Of the three arrangements, the Extended Medicare Safety Net accounts for the majority of the expenditure.

There are a number of problems with the current arrangements which this bill seeks to address.

The current safety nets are complicated and confusing. They all serve the same purpose of assisting patients with out-of-pocket costs for out-of-hospital services. However, they work in different ways and have different thresholds. They interact with each other and can sometimes all be applicable to the same medical service. They are unnecessarily complex and difficult to understand.

The current arrangements are also inconsistent. There is a limit on safety net benefits that will be paid for some but not all out-of-hospital services. Some of these limits are fixed dollar...
amounts, while others are based on a percentage of the Medicare fee. This inconsistency in arrangements can be very confusing for patients and medical practitioners.

While most doctors charge reasonable fees for their services, some doctors and service providers have used the Extended Medicare Safety Net to underwrite excessive fees. This has led to increased patient out-of-pocket costs in some areas. Evidence of this behaviour was found in two independent reviews of the Extended Medicare Safety Net in 2009 and 2011 which were undertaken by the Centre for Health Economics Research and Evaluation from the University of Technology, Sydney. Both reviews found that the Extended Medicare Safety Net program had the unintended consequence of increasing the fees charged by doctors and that the majority of the benefits available were being paid to people living in high-income areas rather than to people with significant medical conditions. The 2009 review found that for some services, for every dollar spent through the Extended Medicare Safety Net, more than 78c was going to health providers in the form of fee increases, whilst only 22c was assisting patients with their costs. Clearly, this is not an efficient use of government money.

The current arrangements may also support less safe medical practice, such as providing complicated surgical services out of hospital to take advantage of the unlimited rebate available under the Extended Medicare Safety Net.

Many changes have been made to the program to address some of these issues since its introduction in 2004, including increases to eligibility thresholds and capping of safety net benefits. Obstetric services, assisted reproductive technology services and a number of other selected items were capped in 2010 to address excessive fees charged by a small number of service providers. All consultation items, including for GPs and specialists, and a number of other selected items were capped in 2012. More recently, in January 2015, the upper threshold of the Extended Medicare Safety Net was increased to $2,000.

However, these changes have contributed to the complexity of the program and have not addressed all issues. At the moment, medical services are not uniformly capped, which means excessive fee inflation can still occur to services that are uncapped. For example, immediately after the capping of the safety net benefit for a cataract surgery service, the provider fee for an anaesthetic for cataract surgery increased greatly, in some cases by almost 400 per cent. Furthermore, some people reach their threshold almost immediately due to the unlimited amount of out-of-pocket costs that count towards the threshold. This makes the consumer relatively insensitive to the further fees charged, allowing for fee inflation.

The time is right to replace the complex, inefficient Medicare safety net arrangements with a new Medicare safety net. The new Medicare safety net will strengthen the system for patients into the future while contributing to a more sustainable Medicare system. Its design has been informed by the findings of two independent reviews; ongoing consultation with the medical profession since the introduction of the Extended Medicare Safety Net in 2004; and concerns raised by patients.

The new Medicare safety net will continue to provide an additional benefit to families and singles for out-of-hospital Medicare services once an annual threshold has been reached. Unlike the Extended Medicare Safety Net, the amount of out-of-pocket costs per service that count towards the threshold will have a limit, as will the amount of safety net benefits paid per service to qualified people. This will restrict excessive fee inflation by medical providers. These limits are universal, unlike the ad hoc capping arrangements for the Extended Medicare
Safety Net. Importantly, although there will be a limit on the accumulation and benefits payable for each individual service, there is no limit to the total safety net benefits that can be paid to a person in a year.

Currently families are able to pool their out-of-pocket costs to reach the safety net threshold sooner. This arrangement will continue and in addition non-concessional singles will have a lower threshold than most non-concessional families. This acknowledges that people who are single and not part of a family are required to meet their health costs on their own, but do not always have access to the significant government support provided to concession card holders.

The thresholds to access the new Medicare safety net will be significantly lower than the current thresholds for the majority of people. More people will receive a safety net benefit than under the current safety net. The new thresholds in 2016 will be $400 per year for singles and families that are concession card holders, $700 for families eligible for family tax benefit part A and non-concessional singles, and $1,000 for non-concessional families.

In response to concerns about the Extended Medicare Safety Net that have been raised by the public, changes have been made to assist families where members are living apart due to ill health, as often occurs in nursing home arrangements. Under the new Medicare safety net, couples who are living apart because of ill health or infirmity will be able to register as a safety net family and pool their out-of-pocket costs to reach the threshold sooner.

The administration arrangements for families where some members are concession card holders and some are not will be streamlined to the benefit of those families. The definition of a dependent will also expand to allow youths aged 16 to 25 who are temporarily unable to study full time due to ill health to be considered part of the safety net family.

In summary, this bill will introduce a new, carefully designed Medicare safety net which will allow the government to continue to support singles and families experiencing high out-of-pocket costs, while streamlining the Medicare safety net arrangements and contributing to the sustainability of Medicare.

I commend the bill to the House.

Debate adjourned.

Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2015

First Reading

Bill and explanatory memorandum presented by Mr Porter.

Bill read a first time.

Second Reading

Mr PORTER (Pearce—Minister for Social Services) (09:11): I move:

That this bill be now read a second time.

This bill will introduce a package of new reforms that help us support families while encouraging parents' participation in the workforce. This bill will supersede measures that have stalled in the Senate, including the following measures: that of maintaining family tax benefit part A thresholds, where savings were estimated at $525 million; that of maintaining
FTB payment rates, where savings were estimated at $1 billion; that of limiting FTB Part B to families with children under six, where savings were estimated at $1.8 billion; and that of revising the FTB end-of-year supplements down to their original value of $600 and $300 per year respectively, where the accompanying savings were estimated at $1.3 billion.

This present bill anticipates withdrawal of these measures relating to FTB from the 2014-15 budget and instead proposes changes which focus squarely on the principles of structural reform of the social welfare system by simplifying the payment structure of the FTB system. At the same time, the bill provides more assistance to families when they need it the most, and it is fiscally responsible.

The measures in this bill have been introduced in order to make sure the Jobs for Families package that was introduced in the 2015-16 budget is fully paid for. This present package contains the required savings to offset the additional investment in the childcare package, which, as well as helping families and encouraging workforce participation, also represents substantive reform of a complicated inflationary childcare system.

In this bill the government is increasing the fortnightly payment rates of family tax benefit part A by $10.08 for each FTB child in the family aged up to 19. This has the effect that around 1.2 million lower income families, including income support families, who receive family tax benefit part A for around 2.2 million children, will receive higher payments from 1 July 2018. The increase in their fortnightly payments will help families better manage their day-to-day budgets by providing them with timely, regularised assistance when they need it the most.

We will also provide an additional $10.44 for under 18-year-old youth allowance recipients who are living at home, bringing the payments to the same standard rate as a family tax benefit part A child aged between 13 and 19.

Aligning these two rates of payment is itself a much needed part of the reform process to align the large variety of payment rates where possible. These alignment reforms will avoid confusion for families and make sure there is no financial incentive for an FTB child to leave full-time secondary study to claim youth allowance.

Importantly, this alignment reform will also flow on to people who are on disability support under the age of 18, special benefit and ABSTUDY. These alignment changes are based squarely on the McClure reform recommendations. They simplify the system, making it easier for parents and their older children to navigate the system in order to get the assistance appropriate to their circumstances.

The bill will introduce a new rate structure for family tax benefit part B and make other amendments to the rules for part B from 1 July 2016.

Firstly, the maximum standard rate will increase by $1,000.10 per year for families with a youngest child aged under one. This will provide more choice for families when their children are very young.

Family tax benefit part B will also be limited where a family's youngest child is aged under 13. This supports the government's broader participation agenda, which is central to the childcare reforms introduced in the 2015-16 budget, and strongly supports the policy imperative that families be encouraged and enabled to re-enter the workforce as their children begin secondary school.
A new family tax benefit part B rate of up to $1,000.10 per year will be available for single parent families and grandparents with a youngest child aged 13 to 16. The government also therefore recognises that grandparent carers take on a large responsibility when caring for their children, yet they are less likely to be working and more likely to be retired. Family assistance, it is acknowledged, helps grandparent carers meet the costs of raising their grandchildren. Similarly, we also recognise that sometimes it is difficult for single parents to transition to work, even when their youngest children are into secondary school, and this is why we are applying different payment assistance for these categories once the relevant children turns 13, providing them with some additional appropriate assistance while they prepare to re-enter the workforce.

This bill will also provide for the phase-out of both the family tax benefit part A supplement and the family tax benefit part B supplement.

The part A supplement will reduce to $602.25 a year from 1 July 2016 and to $302.95 a year from 1 July 2017. The part B supplement will reduce to $302.95 a year from 1 July 2016 and to $153.30 a year from 1 July 2017. Both supplements will then be withdrawn from 1 July 2018.

The family tax benefit part A and B supplements were introduced at a time when, under the Howard government, the surplus anticipated in the 2004-05 budget paper was $13.6 billion, and it was complicated in that a substantial use of the supplements would be used to offset potential family tax benefit overpayments arising from underestimates by recipients of their FTB relevant annual income.

In the near future, the Australian Taxation Office is introducing a single-touch payroll system, a system which will allow for accurate fortnightly reporting of income, which measure, in 2018-19, will very significantly reduce the problem of family tax benefit debts.

The fundamental and critical reform component inherent in the changes now proposed is that the measures reduce the number of supplements in the system. One of the biggest frustrations of the social security system, as expressed eloquently in a report by Patrick McClure entitled *A new system for better employment and social outcomes*, is that there are far too many payments and allied supplements. In fact, there are some 20 main payment types and 53 existing supplements, and that second figure of 53 existing supplements has been reduced from 55 because the government has already removed the senior supplement and the low-income supplement. This measure will further reduce the number of supplements in the system, as indeed will the associated reform measures in child care.

In summary, this package of family tax benefit and dependent youth measures enhances support for families with their day-to-day living expenses and helps them support their children from birth through to education, and with the transition to independence. This increase in day-to-day support has been achieved through reforming the supplements and increasing fortnightly payments, including aligning the rates of reduced youth payments. Together, the revised package demonstrates the government's commitment to assisting families; providing additional assistance to families when they need it the most; supporting family choice to spend more time with children when they are very young, if they wish to do so; recognising that families still have caring responsibilities when their children are in secondary school; and recognising that the most vulnerable families in the secondary
schooling years, such as grandparent carers, should receive some additional support during a child's adolescent years.

At the same time, these reforms will improve the sustainability of family payments, ensuring that we as a government and as a society can achieve three important goals: first, continue to assist families in raising their children over the long term; second, fund the childcare reforms designed to enable and encourage greater workforce participation; and, third, continue a deservedly needed process of simplifying FTB, consistent with the recommendations of the McClure review, which highlights the unworkability of a system that maintains 20 main payment types with in excess of 50 supplementary categories.

I commend the bill to the House.

Debate adjourned.

Social Services Legislation Amendment (More Generous Means Testing for Youth Payments) Bill 2015

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr PASIN (Barker) (09:21): Prior to the adjournment yesterday evening, I was indicating that the proposed changes in the Social Services Legislation Amendment (More Generous Means Testing for Youth Payments) Bill mean that farming families will not have farm assets included when eligibility for youth allowance is being assessed. This brings the means test into line with the reality facing rural families. Rural families often struggle with cash flow, especially when facing drought—as they are in much of Australia today. I am glad to see this bill moves us to a fairer position regarding the assessment of eligibility for youth allowance.

All families currently subject to the family assets test and the family actual means test will benefit from a reduced regulatory burden. This government is delivering on its commitment to reduce that regulatory burden on families. The changes will also reduce sudden drops in family assistance as young people move from family tax benefit part A to youth allowance, Abstudy or the Assistance for Isolated Children Scheme additional boarding allowance. In addition, children from rural, regional and remote areas often face higher costs of further study due to the need to move away from home. These students will benefit through increases in their rate of youth allowance, while others will qualify for youth allowance for the first time, meaning that they may be able to access payments of more than $7,000 a year.

This government is committed to giving young people from rural, regional and remote Australia a hand up and to unlocking their potential. This bill delivers on that commitment. Whilst we acknowledge that all additional government expenditure must be carefully considered, it is our position that the current arrangement did not adequately deliver on the original policy intent. The youth allowance parental income-testing arrangements will also be changed to include all family tax benefit children in the family pool. The current test only includes children over 16 years of age. Counting all children will soften reductions in the youth allowance as family income increases.

The bill was introduced following the examination of these issues by an interdepartmental committee on access to higher education for rural, regional and remote students. This was
done at the urging of Senator Bridget McKenzie, Chief Government Whip Nola Marino and backbench colleagues from across the width and breadth of regional Australian who have been pressing this government to do more to improve access to education for rural students. This is a government which understands the pressures facing rural families and the challenges facing country kids. I myself grew up in regional South Australia and completed my secondary studies in Mount Gambier. I unfortunately had to travel to pursue my tertiary studies, so I have personal experience of how hard it is to do that. Whilst I acknowledge that that avenue was not then—and is not now—open to every individual, what I welcome is that these changes open up this option for a wider cohort of young Australians.

Removing complex and unnecessary means tests and improving the operation of the parental income test is a first and good step in responding to the concerns with parental means testing and with the level of the student assistance available that were identified as part of the interdepartmental committee's interim advice.

These changes are great news for rural, remote and regional families. These measures will boost the number of families the government provides assistance to, and will lift the level of that assistance. Therefore, these reforms will encourage more young people to access the transformative effect of tertiary education. This will help develop economic opportunities for our nation and strengthen our economy. Tertiary education of course is so often a gateway to long-term rewarding and prosperous careers.

On this side of the House, we continue to champion the cause of rural, regional and remote Australians. This bill is evidence of that and I commend the bill to the House.

**Mrs ELLIOT** (Richmond) (09:25): I rise today to speak on the Social Services Legislation Amendment Bill 2015. This bill introduces more generous means testing for youth payments by removing certain testing provisions.

As we have heard from speakers on this side of the House, we do support this legislation. We have made that very clear. We have also made clear that while we do support it we do have concerns in other policy areas and how they have particularly impacted on younger people. This is especially seen in regional areas, indeed, regional areas such as my electorate of Richmond on the New South Wales North Coast. I will certainly outline later some of those other concerns we have in terms of the impacts on younger people—some of the government's other policy areas are quite devastating. In my area, we do hold the National Party responsible. In fact, it is those National Party choices that do hurt people in regional areas, particularly the cuts to education and health.

The changes in this bill mean that young people living in families with higher assets will receive increased access to youth allowance. As we have said, we support these changes. Labor have consistently demonstrated our commitment to supporting the maintenance of young people in this country and that is why we welcome these proposed changes, especially for students in regional areas who receive benefits from these changes.

In the current system, people aged under 22 who are considered dependent on their parents financially have both their own means as well as their families means assessed to determine if they are eligible for payments such as youth allowance. The family means-testing system includes a parental income test, a family asset test and, in some circumstances, a family actual means test. They are each formulated to assess the resources of a family which could be
utilised in supporting their dependent children. When measured over a certain level, assets, income or means can result in a reduction or a potential ineligibility for income support.

This bill introduces a 2015 budget measure to provide more generous and consistent support for families with dependent young people who qualify for certain youth income support payments. The bill proposes that in January 2016 the family assets test and the family actual means test will be removed as factors in assessing eligibility for youth allowance. This will allow around 5,300 potential claimants to qualify for youth allowance for the first time, as well as increasing payments for existing students by approximately $2,000 a year.

This means that income will become the only method of assessment for eligibility for income support. This may mean, for example when we look at regional and rural areas, that some farming families perhaps will not have farm assets counted in the means test for their dependent children with regard to youth allowance. This is an important measure, particularly in reflecting the needs of people in regional and rural Australia which, as has been pointed out many times, are often very different for those in the urban areas. I think that this is an important measure, to make sure that these are recognised—particularly when people from regional areas do have many issues associated with accessing higher education. It is estimated that by excluding the family actual means test 30,000 families will receive direct extra support as a result of this bill and that a further 200,000 families stand to be better off due to the changes.

The parental income test evaluates how many other dependent children are supported by their parent's income. The more children assessed as eligible then the less a young person's rate is reduced as a result of their parent's income. Currently, some other children in receipt of income support are eligible for inclusion in this group. However, from 1 July 2016 the family pool for the youth parental income test will be expanded to include all eligible children who qualify under the family tax benefit. This will allow around 13,700 families with dependents to become eligible for an increase in payments of around $1,100 a year. And a further 5,800 families who currently miss out on payments will also become eligible for support totalling around $1,300 a year.

From 1 January 2016 the bill will allow youth payments which are subject to parental income testing to be subject only to one test, rather than to multiple assessments. Of course, this is a good measure—particularly through the reduction of more administrative work. It is certainly good that there will only be that one application. Additionally, this will also remove maintenance income from the parental income test assessment on 1 January 2017 and will in fact apply a separate maintenance income test for the treatment of child support, similar to the family tax benefit.

These changes will also provide additional assistance to families to support their children in that transition from school on to further studies. As I have said, that is particularly important for people from regional and rural areas, such as in my electorate of Richmond, who do often face higher costs associated with further study—and many other issues, which I will turn to, in their ability to access higher education. As I have said, whilst we support this measure there are some other measures that many in the government have brought in that do make it difficult in many ways for younger people from regional areas to access further education. I will discuss those shortly. But, as I have said, Labor supports this policy and the changes being made to ensure that we can provide that support for younger people.
Whilst I have said that we support the measure regarding youth payments, we do have many concerns that so many cuts from this government can be particularly harsh for younger people. We especially feel those harsh cuts in regional areas. As I said initially, people in my area certainly hold the National Party responsible for those cuts. The fact is that National Party choices really do hurt people from regional areas, whether those are the cuts to health, or to education or the $100,000 university degrees. There are many cuts that hurt younger people and their families.

Especially, we are talking about young people accessing further opportunities and study. This is really highlighted by this government's plans to cut university funding, and especially their plans for $100,000 university degrees. I have been approached by so many families who simply say that university is just not possible for their children now. In no way can they access it. When we look at what those cuts mean for regional universities in my area—the wonderful Southern Cross University is looking at cuts of more than $64 million—of course that will result in a massive increase in fees. This means that younger people just cannot get access to it.

We have also seen the government bring in many cuts to training and to TAFE. We have seen them cut support programs for younger people—again, all just limiting their opportunities. So there are so many concerns about this government's action. At the state level too, we have seen in my area the Liberal-National government moving to close TAFEs. It is just devastating for young people and their future opportunities. There is also a lot of worry about the government's plan to cut penalty rates. This will affect many young people, just as it will also impact on many working families who rely on penalty rates.

I will always stand up for local families against the National Party's plan to cut penalty rates, which directly threatens the living standards of many workers, their families and, especially, our young people—indeed, of our local community and our local economies as well. When we talk about the impacts on some of our younger people, who can forget the government's rather heartless attempt to ram through legislation that would have left young people without any support for a month? Of course, this second version of the policy was aimed at leaving those most in need with nothing to live on. Labor stands with the community and will continue to reject many of this government's cruel and unfair measures. When they tried to force young job seekers to live on nothing for up to six months, we stood with the community in rejecting what was essentially a very bad and unfair policy.

Despite this defeat, the government persisted in pressuring their ideological attack on young people, this time trying to force them to go without any payment for a month. Again that was rejected. With complete disregard for public sentiment on this issue, the then minister—after the Senate had rejected these changes—said the government was 'absolutely committed' to pushing its policy through. One thing is very clear: they certainly did not get the message. The same legislation even proposed cuts, totalling around $46 a week, to income support for young people between the ages of 22 and 24. Labor will continue to resist any attempt to take away from those who can least afford such a loss—particularly the targeting of young people.

We constantly see unfair cuts and tax increases from this government. I tell people in my electorate that I am fighting hard against the unfair cuts of this Prime Minister and the National Party, whether they be to the age pension, to health services or to education. They are really hurting people in my area on the New South Wales North Coast. It is a magnificent
region with great potential, but every school and every hospital in my region is worse off because of the National Party's cuts to health and education. That is the reality. We have seen so many cuts from this government.

I understand the minister introduced some legislation this morning—we will be looking at the detail—to water down some of the savage cuts to family tax benefits. This is in response to community concerns. Families and community members right across my electorate raised their concerns about these very harsh cuts to family tax benefits. The government will try to take credit for watering down their cuts a bit, but they have only done so in response to widespread community concern about how severely those cuts would impact families.

This government's cuts to paid parental leave are also unfair and cruel. We know how important paid parental leave is, but up to 80,000 women a year will lose as much as $11,800 because of the government's cuts. Those cuts will hit the lowest paid female workers, which is particularly unfair. Labor introduced Australia's first national paid parental leave scheme, set at the minimum wage, for parents earning less than $150,000—a scheme that has benefited around 500,000 Australian mothers since it was introduced in 2011. That shows that we on this side of the House understand how important it is to have an effective paid parental leave system in place. Indeed we understand the importance of providing effective support and services for families right across the board. During the paid parental leave debate, it was insulting how many government ministers had the gall to suggest that parents negotiating additional paid parental leave were somehow 'rorters' or 'fraudsters'. I think many people found that offensive. We will continue to stand up for Australian families. We know how important paid parental leave is.

I have listed all the reasons we support the bill before the House and why we see it as beneficial to younger people and to those from regional and rural areas. But we must remain mindful of how so many of this government's policies are detrimental to those very same people. Whilst we support the bill, we cannot ever step back from the grave concerns we have, particularly about the $50 billion in cuts to health and education. Their Medicare rebate cuts, a GP tax by stealth, are a huge concern to people in regional areas; their cuts to the age pension severely impact areas like mine that have a high proportion of older people; and we continue to have concerns about the family tax benefit cuts. As I said, apparently those family tax benefit cuts are being watered down, which is good, but we will look at the detail of that. We have concerns about their harsh treatment of young job seekers, who will be left without any payments for a period of time. This is at a time when youth unemployment, particularly in regional areas, is very high: as high as one in four. And at the same time we have a government that has cut most of the training—TAFE and apprenticeships—for those young job seekers. We have seen them looking to move to bring in $100,000 university degrees. We have seen a lot of programs that provided a good transition for younger people from school to study or work cancelled as well. This government has had a whole suite of measures that have made it very difficult for younger people, and I have grave concerns also about some of their plans to abolish penalty rates. That will indeed make it very hard as well for younger people.

In conclusion, Labor does support this bill, but at the same time we are very mindful of the fact that there are so many other government policies that continue to impact younger people severely and also impact their families. We will always continue to raise those concerns. We do have instances where we see a benefit, such as this bill, the Social Services Legislation
Amendment (More Generous Means Testing for Youth Payments) Bill 2015, where we see a benefit of the more generous means testing for youth payments. We think it is important that those testing provisions are removed. We indeed support this bill.

Ms PRICE (Durack) (09:40): The Turnbull government understands the need for a simpler and fairer youth income support system that focuses on young Australians who need it most. I am pleased to rise today to speak on the Social Services Legislation Amendment (More Generous Means Testing for Youth Payments) Bill 2015, which will ensure that those who really need the support will receive it.

This side of the chamber understands that low-income families were disadvantaged under the previous income means-testing arrangements, due to duplication and multiple tests being applied simultaneously. The measures that we are discussing today aim to more closely align the parental means-testing arrangements for youth allowance with the arrangements for family tax benefit A. Only the Turnbull government can drive growth and jobs creation while also building a strong, prosperous and innovative economy. Part of this commitment is to ensure that Australia has a simple and fairer youth income support system for the future leaders of tomorrow. But, most importantly, this bill improves access for regional students to higher education. These measures simplify and improve the complex parental means test for youth payments. This bill will reduce sudden drops in assistance when dependent children moved from family tax benefit A to the youth income support system. This bill will better align means test arrangements for children in school and postsecondary education. This bill will benefit families with dependent younger children and youth payment recipients.

Helping those in regional, rural and remote Australia is not just a Liberal Party value; it is in our DNA. The bill will assist regional students not just in my vast electorate of Durack but throughout regional Australia. I am pleased to say that families in Durack will be eligible for an increase in payment due to the removal of the family actual means test and that they are also expected to benefit from the removal of the family assets test, which is expected to assist around 1,200 families across Australia. Under this bill, farming families will not have farm assets counted towards testing for their children to access youth allowance. In many cases, and we hear this all the time, farming families are asset rich but, regrettably, they live off a modest income. So what we are discussing today is a much needed overhaul of the system. Students in both secondary and higher education who face higher costs of study, due to the need to move away from home most often, and more often in Western Australia, will benefit from an increase in the rate of youth allowance for the first time, with some accessing payments of more than $7,000 a year. This bill will benefit families with youth allowance children, who are currently penalised by double counting the contribution of non-resident parents through child support in some circumstances. Similar changes will be made to the ABSTUDY living allowance parental means test, and that also will be very welcome to many families in regional and remote Durack.

This bill encourages more young people not just to continue studying but to continue with their education. The relevant statistics, however, are alarming, and we see more and more young people from the bush deferring their university education. In most cases this is because of the added strain that further education would place on the purse strings of the family. Sadly, we know that once higher education is deferred it is a monumental effort to commence a tertiary education at a later stage.
The Turnbull government remains committed to higher education reform. Our proposal to expand the demand driven funding system allows universities to offer more subsidised places in higher education—diplomas, advanced diplomas and associate degrees—enabling more opportunities for kids from the bush. In addition to providing pathways to higher degrees, many sub-bachelor qualifications are a ticket to a job in their own right. They provide training for engineers, technologists, construction managers, aged-care professionals et cetera. The government already provides relocation and student start-up scholarships to eligible regional students in higher education to assist with the costs associated with moving away from home to attend university.

Being a born and bred proud country girl—and I see that the member for Indi is here; she is also a proud country girl—I am only too aware that students from regional and remote areas can face a range of additional barriers in accessing higher education. Children leaving regional, rural and remote areas face difficulties that are not experienced by those in the city who are embarking on higher education. Students in my electorate and their parents deserve a fair go and an equal opportunity. It is with sadness I say that many families choose to leave country WA to move to the city so that they can provide accommodation for their children to access higher education. Sadly, they are also leaving much sooner than at tertiary education level.

Yet we understand that one of the big problems in the bush is attracting qualified workers, including a range of professionals. These days professionals, in particular healthcare workers, such as nurses and doctors, are being sourced from agencies. They fly in and out of regional WA because we cannot attract the professionals to reside in regional areas. We note that those who are brought up in regional Australia love it—don't they, member for Indi? They know the bush and they are our best ambassadors. Yet they are the ones who are financially prevented from attending tertiary institutions, acquiring their professional qualifications and returning to their home.

The higher education forum I hosted in Moora in August with Senator Bridget McKenzie is yet another example of not just the government's but by my particular interest in getting more students from regional Australia into higher education. The Department of Education and Training and the Department of Social Services are co-chairing an interdepartmental committee that is looking at the barriers to accessing higher education for regional and remote students. The feedback from the forum plus similar forums that were held around Australia will be included in the final report of the interdepartmental committee. The government will consider how it responds to these issues once it receives this final report. My expectation is that the result will be a further overhaul of youth allowance. But, for now, this bill is a good step in the right direction and I know it will be welcomed by hundreds of Durack families.

We all know so well, as demonstrated by the Leader of the Opposition's appalling east-coast-centric and city-centric infrastructure announcement a fortnight ago, that only this side of the chamber knows and understands regional Australia. As I said at the beginning of this contribution, this bill will ensure those who need the support will receive it. This bill is about a key value of mine and I know of many other regional members in this House, and that is improving access to education for kids from the bush. It will improve access to education for regional students, especially higher education. I commend this bill to the House.
Ms McGOWAN (Indi) (09:48): I would like to congratulate the member for Durack on that excellent speech in relation to the Social Services Legislation Amendment (More Generous Means Testing for Youth Payments) Bill 2015 and the way she explained how the changes are going to make such a difference. I would like to build on those comments to do three things. I want to acknowledge and say to the government, well done. You have done a really good job on this one; thank you.

I now want to say, let's get serious: if we can do this bit well, let's tackle the really big issue, which is picking up on what the member for Durack said. Let's have a policy that actually addresses education and higher education in rural and regional Australia. Let's all of us put our shoulders to the wheel. Let's really deliver on this, because it is too important not to.

Thirdly, I would actually like to talk about what the ingredients of a policy would be. So I have three things to say today: I want to acknowledge and talk about the good work that has been done; I want to talk about the research that has been undertaken on the issues and what a policy would look like; and I want to finish off on a call to action to my colleagues opposite, particularly to the National Party, to say, 'Show us seriously—let's go to the next election with a higher education policy and an architecture that actually addresses the issues that my colleagues have been talking about today.'

Let's get underway. Why is this so important? This bit of legislation is so important because the process has been good; with the senator and the committee, the work has been done. We have had a need; we have listened to our community; we have consulted—we have gone out to community groups; we have set up an interdepartmental committee on access to higher education for rural and regional students; and we have had hearings all around the country, including in my community of Wangaratta. This legislation is a direct result of all that. So—well done government! You can do things when you apply your mind to it—you can do good work. I just want to see more of it in this place. I particularly want to see more of it in this topic of higher education.

Why is it that I am so passionate about this? Because I know that already in rural and regional Australia we do not have a comprehensive policy to address the issue. We have significant underrepresentation by regional students in higher education, we have lower levels of higher education attainment in our regions and we have this enormous unfulfilled potential for developing regional Australia if we can get the education, if we can get the skills and if we can get it working properly?

I am particularly concerned because in my electorate of Indi only 57 per cent of the 20 to 24-year-olds finish year 12. Only 57 per cent finish year 12, compared with 78 per cent in Melbourne. And only 19 per cent of those between 20 and 39 years of age hold a bachelor degree or higher compared to 31 per cent across Australia. Sixty-three per cent of people in Indi are in the bottom half of the Index of Relative Socio-economic Disadvantage. And many young people in my community move away from home to study. In my home shire of Indigo, there are 420 people aged between 17 and 18, but just 200 aged between 21 and 22. The young people go. The saddest thing that I can see is that our biggest export from rural and regional Australia is our young people. The major way that I can see us getting them back and holding them is by having quality education and addressing the many barriers that we know to having that.
I would like to introduce to the House three reports that have recently been done covering this topic. The first report I would like to talk about is a study of four towns undertaken by Ballarat university and commissioned by Regional Development Australia Hume and supported by Regional Development Victoria and the Victorian Department of Education and Early Childhood Development. This report tells us of four towns in my electorate—the towns of Wangaratta, Mansfield, Myrtleford and Benalla. And under the Australian Standard Geographical Classification system, they are all rated as RA4—remote Australia.

The Hume region has consistently lower retention rates for years 7 to 12 than for nonmetropolitan areas. As I said, 22 per cent of young people leave school through years 10 to 12, compared with 15 per cent for metropolitan Melbourne. And compared with the state-wide average of 30.4 per cent, the percentage of the Hume population aged between 24 to 34 with a bachelor degree or higher was recorded as substantially lower at 17.35 per cent. So my own electorate is particularly disadvantaged, and we absolutely need to take some action on this.

The research shows the major barriers: economic barriers, geographical barriers, information barriers and what the researchers call ‘class’ barriers. We know what the issues are, and it is really clear that we know what to do. I will not bore the House by going through all the recommendations—I will just say that they are here and in the report. We need to have better information; we need to have more flexible delivery; we absolutely need to work with local, state and federal governments to develop economies and to have the jobs there; and we absolutely need to lobby government to have a holistic approach to solving this issue. The recommendations are there in great detail and, as I said, to be looked at.

The second thing that I would really like to make mention of is what my colleague, the member for Durack, asks about, ‘What happens in rural and regional Australia when you do not have enough money, you get into uni and then you defer?’ This idea of deferring is really important. It is a good thing to do, at some levels, but the latest available data for Victoria says that 16.5 per cent of non-metropolitan school completers and 8.1 per cent of metropolitan school leavers defer. So 16 per cent of our rural kids who finish year 12 defer but only eight per cent do so in Melbourne. What is going on? Why would that happen? What does it tell us? Further, we know that three years out from school a little over two-thirds of regional deferrers in this study ended up at university. It is good that two-thirds did, but it means that one-third never took up the offer or dropped out soon after doing so. The reasons are related to financial stress and travel related factors. The biggest issue seems to be in picking yourself up and getting to Melbourne once you have deferred. It is no easy task, as members of this parliament who live in country areas have done and know. It is a huge social adjustment, it is an enormous financial cost and you need to actually study on top of everything else you do.

The work has been done, we know what the problems are and we know what the solutions are. I particularly want to talk to the work that deals with the problems and solutions for young people. The third area I would like to deal with is the problem of funding universities. There has been some excellent work done in this area as well. The Australian government's former Department of Education, Employment and Workplace Relations did a review of regional loading and presented a very worthwhile, well-researched report. The report tells us that we know how to solve this problem. We know what the issues are, we know what the
policy impediments are and we know what needs to be done. The thing we are lacking is the political will for both sides of parliament to come to the party and do what needs to be done.

I would like to pick up on some of the higher education issues that are mentioned in this Department of Education, Employment and Workplace Relations report. The current regional loading formula is not appropriate for the needs of regional higher education. The cost of regional higher education provision is greater than the funding provided. Regional higher education faces significant economic disincentives. There is a need for much greater cooperation between all institutions. There are huge economies of scale that we could achieve. There is a low participation rate of regional students, as I have talked about, and the deferral rate is a real problem. The report proposes that regional higher education differs from metropolitan areas in the following key ways: participation rates are lower; completers of year 12 are less likely to go to university; students face greater disincentives to study; students are more likely to come from lower socioeconomic backgrounds; students are more likely to be female, to be older and to be caring for dependents than their metropolitan counterparts; students are more likely to be enrolled in enabling courses and less likely to be enrolled in research doctorates or masters coursework; students are more likely to study part-time and via distance; and, once graduates in regional areas get through, they tend to stay in regional areas.

The report makes a very strong case for why it is important for the nation to invest in a regional higher education infrastructure or architecture. There are external benefits. We make significant contributions to our community. There is a market failure in rural and regional Australia. And surely it is a matter of equity. Students, wherever they are, deserve access to quality education. The policy objectives outlined in this report are really important to bring before the House today. Regarding the major contributory outcomes, we need to increase participation rates, we need to address the low SES and Indigenous participation rates, we need to meet regional workforce needs, we need to improve the sustainability and quality of regional higher education and we need to address regional social and economic development. There is a clear policy framework that needs to be addressed.

There is much more in this report, and I commend the authors of it. They have done a fantastic job. The arguments have been made. But, in bringing my talk to a conclusion and again acknowledging the work that has already been done, I really call on my colleagues opposite. You know how to do this work. You absolutely know how to work collaboratively. We have worked with the budget. We know how to address some of these problems. We have done the baby steps. Now we have actually got to tackle the real problem. The real issue is how to have a regional higher education policy that actually does the things that we need it to do that have been outlined.

In bringing my comments to a close, I say to my colleagues opposite, this issue is about infrastructure. This issue is about nation building. This issue is about innovation and creativity. This issue is about equity and about outcomes. If we truly want Australia to be the great place that our new Prime Minister is telling us it can be, if we truly want to take up the opportunities of living in the best time in Australia's history, then we cannot afford to leave the young people of rural and regional Australia behind.

We cannot afford to say, 'Yeah, we knew about the problem, but we didn't have the political will to act.' So I call on my colleagues opposite, particularly the National Party, 'Go to your Liberal Party colleagues.' I call on the member for Durack: 'You are a good Liberal
woman. Go to your colleagues. Go to the party meetings.’ I call on the member for Richmond, who is a really good member of the Labor Party and an excellent member of the opposition. I say to all: ‘Go to your party rooms and argue the case for the infrastructure and the architecture, so we are not having a debate in this House in five years time about disadvantage in rural and regional Australia.’

Clearly, one size does not fit all. Clearly, we need special consideration for rural and regional young people. To Senator McKenzie, you and your committee have done a great job and you have begun the process. Do not stop there. Work in a cooperative bipartisan approach so that all the people across rural and regional Australia get the education they deserve in the way that they deserve, so they too can be part of this great nation and bring their intellectual capacity to bear on the many problems we face. Thank you, Mr Deputy Speaker Mitchell. I welcome the chance to support this bill and look forward to the many bills that will follow in consequence.

Mr HUTCHINSON (Lyons) (10:01): The Social Services Legislation Amendment (More Generous Means Testing for Youth Payments) Bill 2015 is a really important bill for the people of my electorate, an electorate not dissimilar to Indi or Farrer, and I see that the member for Farrer has just come into the chamber. These are rambling, rural communities with small towns, away from the higher education institutions, where so many young people aspire to go to further their opportunities in life.

Before I speak to the detail of the bill before the House, I want to comment on the member for Bendigo's contribution last night, which I had the displeasure of hearing. It was literally a rant with mistruths and misrepresentations. I understand the Labor Party are going to support these amendments and, rightly, they should. But this contribution had one misinformed scare campaign after the other. It started with $100,000 degrees.

The member for Bendigo should know that in that important discussion we had around how to fund universities into the future, a number of institutions did come out at that time, including the Australian Catholic University, a Victorian institution, saying their fees would not change. The University of Western Australia, one of the nation’s top universities talked about a four-year bachelor degree costing in the order of $50,000, not $100,000. So the misinformation that was being peddled from the other side about impediments to students from all around the place was disingenuous and was really an insult to the intelligence of the people of Australia. I think they are over it and that they have had enough. I think Australians want a more mature discussion around what the real issues are.

One of the real issues is not the cost of education because nobody, from whatever background or wherever they live in Australia, has to pay a cent up-front. The cost of tuition is not the issue. The issue for young people from regional and rural Australia is that they have to travel because they have to live away from home. They do not have the luxury of having the family home to stay in and, therefore, the associated reduced costs.

I do not want to dwell on this because it is going into the distant past, but I want to briefly talk about my own circumstance, having grown up in Tasmania. When I finally decided on where I wanted to head in life, I took myself off to Geelong. At the time, I remember there was state government assistance which was $30 a week. I was fortunate to get loan from my father. The miserable fellow would not do anything other than give me a loan! And for years after he reminded me of it. He sadly died in 1989 and I do not know whether I ended paying it
all back or not. It was as much a lesson about the reality of life, that we often forget now in this place where we always have our hand out.

A few mates and I bought a few sheep and leased a few sheep down on the Bellarine Peninsula. We did a little shearing on weekends and some crutching for people—probably under the designated rate that the unions were suggesting at the time would have been appropriate. Nevertheless, we managed to get through. We all have our stories. It is difficult when you are living away from home and you are going on to study. It is no different today really than it was 20, 30 or 50 years ago. We have to manage.

What we should have in this country is equal opportunity to study. You can never contrive outcomes, but we should allow young people from wherever they are in Australia, whether they live in Campbell Town in my electorate of Lyons, or up the Derwent Valley in towns like Ouse or Bothwell in the central highlands, or they come from the member for Farrer's electorate at Broken Hill, to have equal opportunity to study. It should not matter what your postcode is, where you come from in Australia, to go on and get a higher education. That is what this bill intends to do.

It introduces a 2015 budget measure to provide more generous and consistent support for families with dependent young people who qualify for certain youth income support payments. It has the following elements. From 1 January 2016, it will remove the family assets test and family actual means test for the youth allowance parental means-test arrangements. From 1 January 2016, it will align parental income test exemptions for youth allowance with existing arrangements for family tax benefit part A. From 1 January 2016, it will remove maintenance income from the youth allowance parental income test assessment. From 1 January 2017, it will instead apply a separate maintenance income test for the treatment of child support like that currently applying to family tax benefit part A.

From 1 July 2016, where a family has a dependent child who receives an individual youth payment that is parentally income tested and has younger siblings who qualify for the family tax benefit, the family pool for the youth parental income test will include all children who qualify for the family tax benefit. This is important, as I mentioned, for families and communities around my electorate, all of whom have to travel away from home to get higher education. It is important for the children of farmers, where it is often the case—and this is true all around Australia, as it is in Tasmania—that families have assets but having available cash is problematic for them. These changes recognise that circumstance. Small business people in regional Australia will often be in a similar situation. I will refer a little bit to Senator McKenzie's good work in this area. I have been involved in her group, along with the member for Durack and others. I will touch on that in a second.

We also have had specific challenges in Tasmania. For many years, high schools have only gone through to year 10. Thanks to the good work of Minister Jeremy Rockliff, the Tasmanian Minister for Education and Training, that is changing. There is a process in place now where regional high schools will, like the rest of the country, be going through to year 12. The dropout rate of students at year 10 is just simply unacceptably high. It is one of the things that I believe is really holding our state back. This change is one of the things that the state government, supported by the work we are doing here, is doing to help students in regional areas have the same opportunities as their urban cousins.
The measures outlined in this bill aim to align more closely the parental means test arrangements for youth allowance with the arrangements for family tax benefit part A. The bill will improve and amend the social security law to simplify and improve the complex parental means tests for youth payments and more closely align them with the family tax benefit part A means test in the family assistance law. It will include siblings eligible for the family tax benefit in the family pool for the youth parental income test from 1 July 2016, which will mean an easing of the income test taper and an increase in the income test cut-outs. These changes will allow some dependent young people who are currently not entitled to receive youth allowance or other youth payments to receive them.

Last month my electorate, along with a number of other electorates around the country, very gladly hosted a forum. We held it in the most central place that we could find—Campbell Town in the northern midlands of Tasmania. We were very pleased to welcome Senator Bridget McKenzie, who has lead the federal government's higher education reform forums around the country. Indeed, Senator McKenzie has just completed a series of regional higher education forums to discuss access to higher education and the initiatives in the 2015 budget.

Feedback from the forums, including from the people at our forum at Campbell Town, will provide input to the final report of the interdepartmental committee due in November this year. 'Interdepartmental' refers to the fact that there were representatives from one of the largest policy departments, the Department of Social Services, but also from the Department of Education. It was fantastic to have not only Senator Bridget McKenzie there but also, as I said, representatives from both of those departments.

We had more than 50 educators and parents at the forum. It was during the middle of the day so that is something that indicates the importance of this issue, as people lead busy lives. They came from across my electorate and around Tasmania—from my colleague the member for Bass's electorate, the member for Braddon's electorate and also from the electorate of Franklin. People also came from Tasmania's leading higher education institutions. We had: Sue Kilpatrick and Merran Rogers from the University of Tasmania; Frans Ammerlaan from Vocational Language Learning Centres; Shelly Barnett, a teacher from Hobart's Rosny College; Stephen Norris, the headmaster of Launceston Church Grammar School—my old school; Keith Wenn, the principal at Launceston College; Jane Teniswood from the East Coast Network Group based in Triabunna; Rick Birch, who is the coordinator of the South East Trade Training Centre at Sorell; and Kate Thompson and Emily Gardner from the Isolated Children's Parents' Association.

There was a broad discussion about the challenges that Tasmania uniquely faces. We think of Tasmania as a relatively small place and, yes, you could fit Tasmania into the member for Durack's electorate. Nevertheless, accessibility to higher education is just as much an issue for Tasmanians as it is for people living in remote areas of WA. As I said before, it should not matter what your postcode is when it comes to the opportunities you have to participate in higher education. I think that is an aspiration that all of us in this place share and would support.

The latest Australian Bureau of Statistics figures indicate the trend unemployment rate for Tasmania is falling. That is a fantastic thing, but youth unemployment is still too high. The proportion of those not engaged in higher education is higher in Tasmania than it is...
nationally. If I do nothing else during my time in this place, I am determined to do everything 
I can in conjunction with my state colleagues to improve this. That is why I am so pleased to 
be able to speak on this legislation, which will address that challenge. About 49.5 per cent of 
Tasmanians aged 15 to 24 attend full-time education compared to 52.3 per cent of young 
people nationally. Doing whatever we can to improve these rates is necessary and important. 

Removing the family actual means test will see around 1,200 more people receiving youth 
allowance for the first time as well as increase payments for about 4,860 existing students by 
approximately $2,000 per year. It is a significant amount of money that helps with those costs 
of living, be it accommodation or other things when we have to live away from home. The 
changes mean farming families, who are very well represented in my electorate of Lyons, and 
others as well, will not have farm assets counted towards the means test for their dependent 
children when they are claiming youth allowance.

This, indeed, is an important reform, especially for the people of my rural communities in 
Lyons. It is not so much about the actual cost of education, as I highlighted before, 
particularly in the case of university, and the reforms that were proposed would also have 
been expanded to those sub-bachelor courses and those associate diplomas. So the benefits of 
HECS and HELP loans that are available to people doing bachelor degrees would have been 
expanded to those pathway courses through the reforms that were proposed, and that certainly 
would have provided a huge opportunity and been of huge benefit. It is something that I know 
the University of Tasmania has been advocating for a very long time, and many of the 
students that participate in those associate degrees, for which they have to pay up front, would 
have been included if those reforms had been successful and would have had the same 
advantages that people going on to do degrees have had.

Thank you for the opportunity to participate in this debate. I do not think there is anything 
more important that we can do in this place than to support our young people to have equal 
opportunity in this great country—not equal outcomes, because we will never be able to 
achieve that, and that is not the society I want to live in. I want to see people who work hard, 
people who are smart, being able to take advantage of that opportunity. We will never be able 
to control those things, but one of the things we can control in this place is giving people from 
regional Australia the same opportunities as people who live in urban areas.

Mr BROAD (Mallee) (10:16): It gives me great pleasure to talk about this particular bill, 
the Social Services Legislation Amendment (More Generous Means Testing for Youth 
Payments) Bill 2015, because it harks back to something that I raised in my maiden speech. 
We spend a lot of time talking about the economy and how the economy needs to balance the 
books—and we do need to spend less money than we get in taxpayer revenue, if we can. But 
the economy is simply the engine room for us to build the society that we want.

What constitutes a great society? A great society is one that rewards personal endeavour. A 
great society is one that rewards risk. A great society is one that looks after our senior 
Australians. A great society is one that looks after our health needs. But a great society is also 
one that invests significantly in our future and in our children, and if you look at regional 
Australians, there are some disadvantages to living in the regions. I would also argue there are 
some great advantages to living in the regions. Of course, the air is fresher, the food is better, 
the lifestyle is better and the houses are cheaper. So, if you are thinking about a great place to 
come and live, certainly consider regional Australia.
But one of the disadvantages is that there are sometimes limited opportunities for higher education for our children. People in my electorate do not have the advantage of being able to catch a tram to their university. They do not have the advantage of being able to go to a university which is close, because in a lot of cases they are required to travel to pursue the educational opportunities they want. This is always a challenge.

People talk about the impacts of the HELP loans scheme. They talk about what the impact of their student fees is going to be and how they are going to pay those back. But often the impact for regional Australians, and for their parents, when they are considering how they can access higher education is the living-away-from-home costs. They simply are substantially more costly than the HECS loans are.

I know examples of that. A farmer said to me once that it cost $20,000 a year for his son to be at university. I still remember him showing me something. It was something that we take for granted, that little white card that we all carry around: a business card. This farmer said to me, 'Look at this. My son has a business card. The first person in our family to have a university education. It came at a significant cost to us.' But he was so proud that his son had a business card. The farmer was a guy called Frank Padula, a wine grape grower in my area.

The issue was the substantial costs of a student, their child, having to live away from home. Even though they may not make much money, many of our farming families are not eligible for youth allowance on the grounds that they have too many assets. The very nature of agriculture is that you have to have assets. It is very hard to produce a crop if you do not have a paddock to produce a crop on. It is very hard to grow some vines if you do not have a vineyard.

The great saying always is that people involved in rural industries are often asset rich but cashflow poor. This becomes a real challenge for these people living in the regional areas because they are asset rich but cash flow poor. An asset is not something you can realise until you are actually exiting the industry. Through your agricultural career you are growing your business. But you are also trying to grow the educational opportunities for your children, you are trying to buy a new kitchen for your wife, if you can, and occasionally you get a new ute—and that is pretty much how it works.

What we have done here is address one of the things that I raised in my maiden speech: how we ensure that we create educational opportunities for our children. This bill will particularly benefit rural and regional families whose children continue to study beyond year 12 by removing the asset test and looking at their income. I think that is a very sound principle. What the family actually is getting in income gives them a definition of whether they can actually afford to support their child. The asset of the farm does not become income until the sale of the farm. This means that we can ensure that our farmers and other people with substantial assets that are not income earning are still able to provide educational opportunities for our children.

In the electorate of Mallee, the rate of university completion is only about 26 per cent. We need to get that number up—and we need to get it up not just for the children's benefit but for the growth of regional Australia. If anyone is travelling in the congestion in the cities and listening to this on the radio, they will know that our cities are becoming more congested. But our country towns also need to grow. If we can move people out to the regions, we will essentially make a better standard of living for every Australian.
But the challenge for growing regional Australia is to diversify our economy. If we can do more things in regional Australia, we can have a more vibrant regional Australia, we can have more jobs in regional Australia and we can have more people live in regional Australia. The only way we are really going to do that, if you look statistically, is to educate regional Australians, who will go to the cities, get their education and then come back and contribute to their community. There have been all the studies about how to attract rural doctors. The best way we actually did it was to train rural people, because, frankly, when you know what is out there and you have seen what is out there and you go to the smog-infested, congested, expensive city, you realise that it actually is better back where we live.

I look out my front door—and I know a few members here are from regional Australia, but I am just going to make the rest of you envious—and I look across four kilometres of vineyard, from a house that I bought for under $500,000, with nice green lawns, whilst you are in your little unit, breathing in the smog and having to try and work out how you are going to pay off your million-dollar mortgage. All you have got to do is come out to our place, sunshine, and you will see what living is really about! You can grab your boat and go fishing. You can enjoy life. But we want to attract people to regional Australia. We need health professionals, engineers and people who are going to do other things than just service industry and agriculture. We want to have high-end manufacturing. We want to have a real vision for regional Australia. It all starts with educating regional Australians. It all starts with small policy changes like this that translate to really beneficial outcomes.

There was a saying that you could give an Australian a piece of fencing wire and they could fix almost anything. That is probably an exaggeration, but it does recognise that we have got a long heritage in Australia of ingenuity, of 'can do' and of inventiveness about how we do things. In encouraging more people to have higher education, we can enhance our wealth and our manufacturing sector. I still have a strong belief that we have got a bright future in this country. Sure, the world is changing. Sure, we have got some challenges. But I still reckon Australians are pretty smart. I can see the kids in the gallery, and I reckon they are pretty smart and I hope they are learning about their Australian parliament. What I want to say to you is: we want to create for you an opportunity to become a great citizen. We want to create opportunities for you to pursue your hopes and dreams. Essentially, in doing that, you will then, in many ways, contribute to Australia being a great country.

The world has moved into high-end manufacturing. We may not be making cars as we have been in the past, but we are certainly making components. Look at the F35 fighter jets that are getting made. The tail assemblies of those are getting built in Melbourne. The opportunities for high-end manufacturing are going to be there. I still think if you can take country kids and help them get to education, they will go back to those regional areas and do start-ups and do some of those businesses. For example, I went to a business the other day in Mildura that is making spray units. 'How hard can it be?' you would think. You essentially put together water, chemical and jets of air and you spray it on horticultural products. But they have done all this aerodynamic testing and, out of that, they are now exporting all across the world—just from a little shed. I did not even know it was there. They said, 'Come and have a look at it.' I went in there, and they were employing a heap of people and they are exporting all across the world. But they need to be able to attract engineers, and they struggle to attract them. We have got to sell the story of why we can bring people out to regional Australia.
So this bill is particularly important. It all starts with education. It all starts with making education affordable. If we can do this, it will go towards lifting aspiration. I said to a few year 11s and year 12s at one of the schools I visited, ‘Who wants to go and further yourself in higher education?’ Only about half the hands went up. My fear is that, if we lower aspiration, people then will not aspire. So we need to make things more affordable. Children are very smart. They will know if it is unaffordable for the family to be able to do higher education. They will say to their parents, ‘No, I don't really want to go,’ when in fact they do not want to shame their parents into addressing the fact that it is something that the family cannot afford. I hope that this measure makes things more affordable, which then translates to lifting aspiration.

The bill will, from 1 January 2016, remove the family asset test and the family actual means test from the youth allowance parental means test arrangements. From 1 January 2016, it will align parental income tax exemptions for youth allowance with existing arrangements for family tax benefit part A. And, from 1 January 2016, it will remove maintenance income from the youth allowance parental income test assessment. This is a good bill. This is a bill that should be supported by all people in the parliament. Essentially, if we can create educational opportunities for our children, we can diversify the economy of regional Australia and we can grow our country into being a better country. This is a bill that I am very happy to talk about in this parliament.

Mr PITT (Hinkler) (10:28): One of the major impediments for young people wanting to further their studies after finishing high school is the cost of living away from home, particularly if you live in a regional area. In my electorate of Hinkler, youth unemployment is extremely high, and the median weekly family income is just $832. For many young people, their parents do not earn enough to support them through university but they exceed the asset test thresholds for receiving government assistance through Centrelink. They may be the eldest child and their parents are still caring for another two school-aged children at home. They could get a part-time job. But, depending on the course they want to undertake, their study requirements may prevent them from working enough hours to cover even the basic costs of rent, food, transport and utilities. Personally, when I finished school I delayed going to university because I knew the costs would have made things difficult for my parents, my three younger brothers and their family business. Instead, I opted to apply for an electrical apprenticeship—probably the best four years of my life. It was a great opportunity to gain a trade. I saved enough money during those four years to move to Brisbane to study engineering at the Queensland University of Technology, and I worked part time as a lifeguard and on the tools through those four years—on weekends and holidays—to help get me through university. So I am exceptionally pleased to be standing in this place, today, speaking on this bill.

This legislation introduces more generous means-testing arrangements for youth payments to help support regional children who are transitioning from school to tertiary education. We are removing the family asset test and family actual means test from the youth allowance parental income test. It will base the assessment of a young person's access to youth allowance on a fairer measure of family income.

Removing the asset test will enable around 4,100 dependent Australians to qualify for youth allowance for the first time, accessing average annual payments of more than $7,000 a
year. The removal of the means test will see a further 1,200 people receive youth allowance, for the first time, as well as increase payments for around 4,860 existing students by about $2,000 a year. Importantly, the changes will mean farming families will not have farm assets counted toward the test for their children accessing youth allowance.

We are also changing the youth allowance parental-income testing arrangements to include all family tax benefit children in the family pool. The current test only includes children over 16. Counting all children will soften reductions in youth allowance as the family's income increases. For example, around 13,700 families with dependent children in both the family tax benefit part A and youth systems will be eligible for an average increase in payment of $43 per fortnight or $1,118 per annum. Around 5,800 families who currently miss out on payments, due to higher taper rates, will be eligible for an average payment of around $50 per fortnight or $1,300 per annum. As a former poor student, I know $50 a fortnight does make a difference.

Simplifying the parental means tests will provide additional assistance for working families to support their children make the transition from school to further study. These changes are great news for Hinkler families. It boosts the number of families we assist and the level of that assistance, and it encourages more young people into study to build their careers, develop economic opportunities and contribute to our economy. Most of these changes will come into effect from 1 January next year, and some on 1 July next year and 1 January 2017. Hinkler residents can get more information and find out whether they are eligible by contacting Centrelink.

Earlier, I mentioned youth unemployment. This government is doing everything it can to help young people gain new skills and find a job. I understand there are several challenges to gaining employment, in the Hinkler electorate, including a lack of job vacancies and a high number of applicants. But I am a firm believer that young people should be earning or learning. Developing skills and qualifications can help job seekers stand out in what is a highly competitive jobs market. Employers who are seeking to fill a specific role say they, typically, have to recruit from outside the region because they cannot find locals with the required skills. That, to me, is deeply disappointing. Other employers say they are willing to train people and give them the skills, but they struggle to find people who show up on time dressed appropriately and willing to live without their smart phones for a few hours.

Through Work for the Dole, the National Work Experience Program and Green Army, job seekers are learning important skills while contributing to their communities. We have reinstated the Howard government's ADF gap year. The number of young Hinkler residents applying to join the Defence Force has increased, significantly, in recent years.

The 2015 budget included $330 million for a youth employment strategy to help young people transition from school to work. Young job seekers who find a job and stay off welfare for 12 months will receive a job commitment bonus of $2,500 and a further $4,000 at 24 months. We are providing concessional trade support loans of up to $20,000 and spending $200 million, each year, to lift apprenticeship completion rates. We are also providing up to $9,000 to help people relocate to take up jobs. I know that young people often have to leave the region to get qualifications, skills and experience. But sometimes the local opportunities are overlooked. I have spoken to vice chancellors of Central Queensland University and the University of the Sunshine Coast who are moving into the region.
In my maiden speech I raised concerns about the exodus of talented young people from regional Australia. This bill will help address those matters, substantially. I commend the bill to the House.

Debate adjourned.

BUSINESS

Rearrangement

Mr Pyne (Sturt—Leader of the House and Minister for Industry, Innovation and Science) (10:34): I move:

That consideration of business intervening before order of the day No. 6, government business, be postponed until a later hour this day.

Question agreed to.

BILLS

Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015

Customs Tariff Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015

Second Reading

Cognate debate.

Debate resumed on the motion:

That this bill be now read a second time.

Mr Shorten (Maribyrnong—Leader of the Opposition) (10:35): Today is the first anniversary of the passing of the late Gough Whitlam. Gough Whitlam was the first Australian political leader to reach out and engage in ties, diplomatic and deeper, with China. Labor is very proud of Gough Whitlam and of his legacy. We are certainly proud, in particular, of the courage he took in reaching out from modern Australia to modern China to improve our relationships.

Being proud of that legacy is, in part, because Labor believes that on balance trade liberalisation secures benefits for the peoples of the world and the nations that engage in it. One of the big issues that has been debated in this parliament and beyond this parliament has been the progress of the China-Australia Free Trade Agreement. Negotiations for ChAFTA started 10 years ago under the Howard government. They continued under successive Labor administrations and they have been continued, again, by successive Liberal administrations. Now, today, there is legislation in the House to enable the processing of the China-Australia Free Trade Agreement.

Labor has been supportive of the principle of a China free trade agreement but there has been great concern expressed by Labor, by trade unions and by people in the community that the ChAFTA agreement, as it is currently constructed with all the architecture and its enabling guidelines, regulations and laws, is one that insufficiently protects Australian jobs. I am pleased today to be able to report to the parliament that Labor has been able to achieve significant concessions from the government in negotiations to improve the China-Australia Free Trade Agreement. I congratulate the work in particular of our trade spokesperson, Penny...
Wong, and I must acknowledge the constructive contribution of the Minister for Trade, Andrew Robb.

Labor has argued for changes in three areas. The package announced today shows that the government has agreed to new legal safeguards in these three areas—safeguards that would not otherwise have existed. These legal safeguards will: (1) require labour market testing for all work agreements; (2) require 'market salary rate' for standard 457 visas to use enterprise agreement rates, where they exist, as the salary benchmark; and (3) implement more stringent visa conditions for 457 visa workers in trade occupations. The safeguards put forward differ in some part to the mechanisms that Labor previously proposed in the draft amendments. But the important point is that the key safeguards that we have argued for have been achieved.

Labor's focus throughout this process has been on achieving the right outcomes for all Australians. The safeguards that we have achieved will be part of migration law: they are just as legally binding as the act, and the amendments to the regulations will have the same legal effect as amendments to the act. The deal that we have negotiated represents a comprehensive package of new safeguards that address Labor's concerns regarding the China free trade agreement but, importantly, they also go to the broader temporary skilled migration program. These are real improvements, with important legal safeguards now in place to protect Australian jobs and to ensure that Australians can all—I stress all—fully benefit from ChAFTA.

Labor has always believed that trade agreements should support Australian job opportunities for all Australians, not just some Australians. To us, an agreement which improves the job security of some but diminishes it for others is not a satisfactory outcome. It is not the best possible outcome we can argue for. We were concerned—as were trade unions representing workers, people in the community, legal academics, and many others—that ChAFTA would erode important safeguards in Australia's temporary skilled migration system. Labor's specific and legitimate concerns, shared by the community, were articulated as follows: (1) that, unchanged, ChAFTA would allow Chinese-funded infrastructure projects to bring in 457 visa workers with no obligation for the employer to see if local workers were available for the job; (2) that there were no legal safeguards to prevent the undercutting of Australian wages and conditions; (3) that it was removing existing mandatory skills assessment for 457 workers under this treaty in trades such as electricians, mechanics, carpenters and joiners. Now Labor has negotiated an agreement with the government to introduce safeguards in these three areas of concern—to achieve a ChAFTA-plus arrangement.

These safeguards will require labour market testing by employers covered by all migration work agreements, including work agreements under ChAFTA's investment facilitation arrangements. They will improve the market salary rate requirement for 457 visa workers to ensure that temporary skilled migration does not undermine Australian wages and conditions by, in fact, using enterprise agreements as the benchmark for assessing whether market salaries being paid. Further, these safeguards will require 457 workers such as electricians, but not solely electricians, to obtain an Australian occupational licence from the relevant state jurisdiction in which they are working as a condition of their visa within 90 days of arrival, ensuring Australian skills and workplace standards will be maintained. These safeguards will be written into migration law in the form of new migration regulations.
I will briefly outline the detail of Labor's safeguards. Labor's safeguards include amendments to the migration regulations which will require employers under work agreements to carry out labour market testing. This will require advertising for jobs for local workers before turning to 457 workers. Labor has also secured improvements in the immigration department guidelines which will require employers who enter work agreements to: provide a labour market needs analysis showing there is a genuine need to use overseas workers; implement a training plan to tackle skills shortages by training local workers; and adopt an overseas worker support plan to provide their 457 workers with information about their workplace rights, entitlements and other support services. Our safeguards also give the immigration minister the ability to require a minimum number of local workers to be employed on these projects, or to impose ceilings on the number of overseas workers. These requirements are not set out in the China FTA or in the Investment Facilitation Arrangement Memorandum of Understanding—only in immigration department policy. But under Labor's safeguards, the labour market testing requirement will be written into migration law in the form of new migration regulations. This will ensure labour market testing is a legally binding obligation, not just another promise waiting to be broken.

As concerns wages and conditions, we have also secured amendments to the migration regulations to improve the market salary rate requirement for 457 visa workers. The market salary rate requirement is designed to ensure that temporary skilled migration does not undermine Australian wages and conditions. Labor's amendment to the regulation will strengthen this requirement by using enterprise agreements as the benchmark for assessing whether market salaries being paid. This will apply to all temporary skilled migrant workers under the standard 457 system, not just to workers coming in under chapter 10 of the ChAFTA. So this actually represents a significant improvement to the whole program—it will apply to all of the temporary guest workers under 457s coming to Australia. Labor has also secured agreement from the government to review the temporary skilled migration income threshold. This threshold is a safeguard designed to ensure that the temporary migration system is used for genuinely skilled jobs; not for entry-level positions, or relatively less skilled work. The review will consider the level of the threshold, and whether it should be indexed in line with wages growth, or possibly inflation, as another measure. Labor still remains concerned at how broadly the government has defined 'contractual service suppliers' in chapter 10 of ChAFTA given its agreement to remove labour market testing for these workers. However, we believe that, on balance, our stronger market salary rate requirement will help ensure that these provisions are not used to undermine Australian wages and conditions.

Labor has secured new visa conditions to ensure that 457 visa holders in trades occupations have the necessary skills and qualifications to perform their work safely and to the appropriate quality standards expected of Australian jurisdictions. Labor's new conditions for the 457 visa holders will require them to not perform the occupation unless: they hold the relevant licence; obtain the licence within 90 days of arriving in Australia; comply with any conditions to which the licence is subject; not engage in any work which is inconsistent with the licence; and notify the immigration department in writing if the licence is refused, revoked, seized or cancelled. These new safeguards for 457 visa holders in trades occupations will ensure that 457 visa workers in licenced trades such as but not limited to electricians and mechanics, obtain the necessary Australian licences and certifications. The safeguards will ensure that
federal immigration authorities have extra information for monitoring and compliance of occupational licensing requirements. And also, they will improve coordination between the federal immigration department and the state and territory occupational skills and workplace safety regulators. Non-compliance with these visa conditions would be grounds for a 457 visa to be cancelled. Importantly, it would also provide grounds for imposing sanctions on unscrupulous employers who engage overseas trades workers on an unlicensed basis.

Our safeguards are complimentary to ChAFTA. They work with the agreement, not against it. The safeguards which Labor has proposed and been accepted do not breach ChAFTA and they do not require, importantly, a rewriting of ChAFTA. We have carefully designed our safeguards to support local jobs without requiring the text of the agreement to be renegotiated. This means that ChAFTA can enter into force at the earliest opportunity, allowing Australia's exporters to realise the benefits of the agreement while ensuring that local jobs are also supported. Our safeguards will not be applied retrospectively. They will not affect existing work agreements.

Most importantly, I want to emphasise that our new safeguards do not discriminate against China. Our safeguards on work agreements will apply to all work agreements regardless of the nationality of the companies or the employers involved and regardless of the nationality of the 457 visa worker. Likewise, our safeguards on the market salary rate requirement and on occupational licensing will apply to all 457 visa workers regardless of nationality. Labor has secured improvements across the board to the whole system.

We do recognise that if Labor had been in government that perhaps there are features which we would not have initially negotiated but we are not. We have made it very clear that the debate which Labor has engaged in is about protecting and securing Australian jobs. We do not stand here today and say that every issue in the workplace is fixed; it is not. We remain concerned about inaction in relation to the clear and widespread exploitation of workers in Australia who are on temporary visas. This not only hurts these workers and our international reputation but it also undermines employment conditions for Australian workers.

Simply put, visas should do the job for which they are intended. Working holiday visas allow young people from abroad to experience living in Australia. But when these visas are industrialised, it can be a lot of work and not much holiday. Student visas allow international students to support themselves while they gain a qualification from Australia's world-class education system. But when work rights overshadow study, they sell our education export industry short. And 457 visas are important for filling skills gaps in our labour market. But when labour market testing fails, skilled Australians miss out.

The grim case study provided by the exploitation of thousands of workers at 7-Eleven shows there is a bigger broader problem that needs to be examined and addressed. We need to think about what the appropriate consequences and sanctions should be for exploitation of guest workers and whether the power and resources of our regulators are adequate. We are also concerned that we need to develop policies—and Labor will do this—to support local jobs, eliminate the exploitation of visa holders and protect the wages and conditions of all workers in Australia, above all. We believe that if you work in Australia then you should work under Australian conditions of employment.

Over the coming months, our shadow immigration minister, the member for Corio, and our shadow minister for employment, the member for Gorton, will be reviewing all forms of
temporary work visas and identifying ways in which a Labor government can make our system fairer and more effective. I should also note that when it comes to occupational licensing, whilst Labor have strengthened the system, we do not believe that the current system or the current changes captures all the issues with occupational licensing. Specifically there is a major question, unresolved, of enforcement. We believe, on balance, it is not enough to make us vote against the agreement but, more generally, regardless of the nationality of the tradesperson saying they have a particular occupational qualification, we are concerned and we do not want people coming to Australia saying they have qualification fraudulently when they in fact do not. We are concerned about scams, where people might have some qualification and then through a sort of Phoenix or dodgy arrangement say that they are being supervised by someone with the appropriate electrical qualification, for instance, when in fact they are not. And we are also concerned to make sure that if we set this requirement and strengthen it and if someone comes here and receives the appropriate qualification within Australia in 90 days that we have a line of sight to ensure that has actually happened. A system where we just purely rely upon there being a workplace incident or a breach and then the issue being reported back to the authorities, to us, is an insufficient safety net.

We recognise that the solution is not simple. We recognise that there are issues of state jurisdiction as well as federal jurisdiction. We recognise there are demarcations between the department of immigration and our industrial relations system. But we do not think that those barriers should be sufficient reason not to improve our enforcement mechanism. Labor continues to press the case for almost a reverse onus. In other words, once the person has received a qualification, their sponsor should report that affirmatively back to the department of immigration rather than rely upon the government at some point to find out if the promise was actually kept. But these are matters which we will keep pursuing and persisting with.

I have spoken about temporary visa workers more generally. There are perhaps over 800,000 people with temporary work rights in this country—800,000. Unemployment is unacceptably high in this country. So, along with making sure that our temporary guest-worker schemes, for all of the visas, are not being exploited, and that Australians are getting first access to work, and also making sure that our enforcement mechanisms around occupational licensing are soundly based, and not just on paper but in reality—and that would include allowing unions to be able to go and have access to ensure these matters are being pursued properly—what we also must recognise is: there is a more general concern in the community about the prevalence of insecure work, temporary work, and people being underemployed. Part of the lightning rod of the ChAFTA is a deeper concern in the community that so many Australians do not have enough work, that they are in insecure work and that, indeed, the safety net is not working in the manner in which it should vis-a-vis temporary guest workers.

So, when Labor supports ChAFTA, we do not say that all the issues are fixed, but we do recognise that there has been work done on this agreement. In government, we helped negotiate it. In opposition, I believe, we have helped secure community concern about job safeguards and protecting Australian jobs. So I believe, on balance, this is a good day. This is a day where Labor says that we are happy to work with the government. The government has
moved, and we respect that. We are happy to work with the government in terms of improving this agreement, and we have been happy to do this.

In voting for this legislation today, we believe that we have kept our faith in the power of trade liberalisation. But we have done what Labor always does: we have stood up in defence of Australian jobs, Australian pay and conditions, and Australian skills and safety standards. There was a lot of unfair commentary from parts of the conservative media and elements of the government saying that for us to speak up on Australian jobs was somehow racist—that, somehow, to raise objections was sinister and that it was harking to some past. That is not true. It was not true; it is not true. And Labor will always stand up for Australian jobs. But we also recognise that there has been progress.

We believe that, on balance, whilst there are plenty of issues in our system that I have articulated we need to work through, we also believe that, on balance, the government has given us the guarantees that we sought and the safeguards which we have delivered. We are pleased to support this agreement.

Mr TURNBULL (Wentworth—Prime Minister) (10:54): This is a great day for Australia. This is a great day for Australian jobs. This is a great day for confidence, enthusiasm and imagination, because today what we have seen is the parliament work. We have seen the government and the opposition able to reach agreement on this historic trade deal. And this is a great credit to Andrew Robb, who brought this deal home, and also, I must say, to Senator Wong, the shadow trade minister, who negotiated these changes with Andrew Robb. It is really good for Australians, and Australian business in particular, to have the confidence that the parliament works and on a matter as important as this the two sides can come together.

The Leader of the Opposition—I give him credit too. I described the Leader of the Opposition on one occasion as just a cork bobbing along in the slipstream of the CFMEU. Well, I have to say: today the Leader of the Opposition has struck out from the slipstream and charted a course that is plainly in the national interest, because this is a deal that always had to be done. China is the world's single largest national market. It is absolutely critical for Australian jobs in the future. It is vital—our biggest export market. We sell it today—not almost entirely but very largely—the makings of steel: iron ore and coal. The Chinese economy is in a state of transition. It has been heavily dependent on investment, which has been driven, over many years, by government policy. Every Chinese government for years has recognised that it needs to move to a consumer driven economy—a consumption driven economy. And that is why they have taken steps to ensure that Chinese depositors—families putting their money in the banks—are getting a higher interest rate in real terms. Wages are improving. There is a general concerted effort to do that. And you see so much evidence of that and so many opportunities for Australia.

Our opportunities in the Chinese market are limited only by our imagination and enterprise. And can I say: we are an extraordinary nation. We have 23 million extraordinary Australians. And their imagination and their enterprise will ensure that we have access to and benefit from this market in a way that even the architects of this agreement—principally, the trade minister, Andrew Robb—would not imagine. This is going to be a very big step for Australia.

Let me say something about the way the Chinese market is transitioning. We, in our lifetimes—in the lifetimes of almost everyone in this House—have seen China go from barely registering in the global economy to being the world's single largest national economy. I see
the honourable member for Fraser at the table opposite; some economists say the United States is still a bit ahead, but everyone agrees that China will overtake it in due course as the single largest national economy.

When Mao Zedong succeeded in taking over China in 1949, he stood on top of Tiananmen and he said: 'The Chinese people have stood up.' And so they have. So they did, against a lot of challenges.

What Deng Xiaoping did in 1979, however, was to realise that China, to be prosperous, had to not just stand up but reach out, and he evoked the memory of the 15th century admiral Zheng He, who toured all through South-East Asia and the Indian Ocean, and he said: 'When we were open to the world, we were strong; when we became closed to the world, we became weak.' And it was from that moment that China began its transition to become a more open economy—a more internationally engaged economy. And that has been momentous. It has been an extraordinary shift, of hundreds of millions of people being lifted out of poverty. We are able to benefit from that, now and in the future.

We have seen, obviously, our ability to sell China the makings of steel, in particular—iron ore and coal—and that has been critical as they have been building up their infrastructure from, in effect, a standing start. But, over time, of course, the steel intensity of any economy peaks. The United States, for example, makes less steel now than it did in the 1950s because so much of that built infrastructure is in fact completed. So an economy naturally shifts to be one that is more driven by consumption and more based on services. About 80 per cent of our GDP is driven by services. In China it is much smaller but growing rapidly. Only about 20 per cent of our exports are services.

As China moves to a more consumption-led economy, the opportunities for services—our services exports are principally now tourism and education—grow exponentially. There are hundreds of Australian architectural practices operating in China today. The recent success of Cox Rayner in winning the contract for the big national maritime museum is just one of many examples of how Australian ingenuity, Australian innovation and Australian enterprise can take advantage of this market. The opportunities for our farmers are enormous. Chinese families can afford and want to buy better quality food and better quality drinks—wine in particular. There are enormous opportunities for us, and this is now made possible by this agreement.

We have a great achievement here. I am pleased that we have been able to provide some assurances to the Labor Party. As the Leader of the Opposition himself said, in many cases we are simply providing assurance that existing policies would not be changed and they would be dealt with by regulation. It is good that we have been able to achieve that. This agreement, with the consensus that has now been reached, is vitally important for business confidence in this country. A lot of people underestimate the importance of confidence in an economy. We have to remember that, while interest rates are at their lowest in human history, we want to see more employment, more innovation, more enterprise and more investment. What drives that investment and what drives those business decisions is confidence—a belief that people have that the future is going to be better and that there will be more opportunities in the future.

This agreement flings open the door to the largest single national market in the world. It is an absolute foundation stone for our future prosperity. We recognise—and I am sure all
honourable members recognise—that our prosperity depends on Australia being more competitive, more productive, more internationally engaged and more innovative. That is how we remain and become an even greater high-wage, generous social welfare economy. There is no alternative. That is why every element of the government's policy is designed to enable us to do that. Every element of our policy—every vector, every sinew—is focused on more jobs, better jobs and greater opportunities for Australian business, and this China-Australia Free Trade Agreement is an absolutely critical foundation stone for that.

This is a great day for Australians, it is a great day for Australian jobs and it is a great day for Australian business. It will provide the additional confidence and leadership that our economy needs to continue to prosper in this, the most exciting time to be an Australian.

Debate adjourned.

DISTINGUISHED VISITORS

The SPEAKER (11:04): We have present in the gallery former member for Bradfield, former minister and former Leader of the Opposition, Brendan Nelson. Welcome.

Honourable members: Hear, hear!

PARLIAMENTARY REPRESENTATION

Valedictory

Mr HOCKEY (North Sydney) (11:04): When I first spoke in this chamber on 10 September 1996, my very first words were:

I am in Canberra today because I want to make a contribution to the future of Australia.

I believe I have made a contribution to the future of this nation. I would like to begin by thanking the people of my electorate of North Sydney for giving me the honour, the opportunity and the privilege of representing them in this great chamber. We have walked a successful journey together and I appreciate the enormous effort many locals made in helping me along the way. I have prepared a report card to my constituents to let them know what I have done for the last 20 years, and I seek leave to table that and make it available to my entire electorate.

The SPEAKER: We will assume leave is granted.

Mr HOCKEY: I am not so conceited as to believe that I could have taken a seat in this chamber without the fulsome support of my beloved Liberal Party. In particular, I want to thank Robert Orrell for his outstanding commitment to help me from the first day of my career. He and my federal electorate conference have given me unqualified support through seven elections. Their advocacy and wise counsel have sustained me through the darkest of days. Other Liberals who have gone on to bigger and better things have been great mates along the way, including the Treasurer of New South Wales, Gladys Berejiklian, who is here today. I am very proud of you all.

Like all members of this place, my electorate office has coped admirably with the slings and arrows of local challenges and national expectations. I particularly want to thank Leona Sierakowski for her efforts. Of course, without volunteers our offices would never be able to meet the demand. I have had volunteers aged from 12 to 94, and the 94-year-old was the most enthusiastic. In particular, there is barely a day that passes when I do not think about my second mum, the late Barb Elliott. With Erica Wylie, Sirenne and Nat Gould, Dick White,
Bill Tafe and Pamela McLeland, I have been blessed with unwavering loyalty. My personal staff over 17½ years on the front bench have been outstanding. I admire them all. As Treasurer in particular, there was Grant Lovett, who is here today. He is one of the smartest and most selfless people I have ever met. Alistair Campbell, my 'boy wonder', is over there. Many of my colleagues know who he is. He will one day reshape the world for the better. Angela Scirpo and Jacquie Parker have worked with me in a personal capacity for over 21 years as my PAs and they are honorary members of my family.

I particularly want to thank all of you, the members of this great House, and the senators who have come along today, for the enormous effort you put in every single day to serve the Australian people. Most people leave this parliament as a result of defeat, death, disillusionment or disgrace: we all have to work harder to leave with dignity. There are plenty of Australians who are critical of the politicians they have never met. Our jobs have become much more challenging over the years with the advent of a 'need it now' culture, which has been backed by the unending and often unreasonable demands of social media. Yes, the 24-hour news cycle has changed politics forever, but I am not sure that the traditional Westminster system has kept pace with that change. It is now far more difficult to examine and debate policy issues in a measured and considered way.

Of course, one of the things that sustains us all in this place is the friendships we make, and I have mostly met very honourable people in this place. To all of my colleagues, thank you for making me laugh and, on a couple of occasions, for making me cry. You have stirred me to great anger, but equally we have all shared many laughs. Above all else you have made me very proud to be an Australian.

In particular, to my long-term Canberra flatmates—Jamie Briggs, Brendan Nelson, who is here, and Bob Baldwin—you have seen more of me than many would care to see! I can now confess that our happiest moments were sitting at home late at night eating Paddle Pops, watching Jerry Springer, and admiring the latest Nickelback album—in my case, alone!

Ladies and gentlemen, if everyday Australians are to be their best then we as community leaders must be even better. That is why the revolving door in Australian politics must be jammed shut. If we do not show enough respect to each other, then how can we hope that the electorate will respect us. The stability of the Howard government has been replaced with rapid and unpredictable changes of government on both sides. That turnover has dramatically weakened the policy hand of whoever occupies the government benches in this chamber. Most public servants are very good, but some, confused by the inconsistency of policy and the rapid change in the number of ministers, will simply wait out a minister or a government when they are asked to implement very difficult decisions. And in this parliament the Senate has the capacity to turn every policy proposal into a bit of a mess, thus undermining public confidence in the process of government.

Ultimately, this chamber can end up being responsible for its own undoing. We cannot make it normal to have four Prime Ministers and four Treasurers in just four years. Leadership instability and ministerial turnover are the enemy of good public policy. It was a great honour to serve as a minister in a number of Howard government ministries. It was an even greater honour to serve as Treasurer in the Abbott government.

Tony Abbott, who sadly is overseas today, is one of the most selfless, hard-working and honourable people I have ever met. Yes, at times we have clashed, I confess. For more than
30 years we have argued our differences on everything from the republic to budget savings. But I say directly to the Australian people that the real Tony Abbott is more of a good and decent man than you may know.

The Abbott government was good at policy but struggled with politics. When faced with a choice, I would always prefer what was right than what was popular. On the economy and job creation, national security, border protection, taxation, climate change, immigration and federal-state relations, I believe we got the policies right. However, I admit that we could have done more to win over third-party endorsements and to win over the Senate. And we could have done more to win over the Australian people. We tried to achieve a lot in a short period of time. Whilst we were dealing with significant domestic policy challenges in health, welfare and education, we underestimated the massive time requirements associated with national security and chairing the G20. Nothing illustrated this better than the 2014 budget, where the government had more courage than the parliament.

As my good mate the outstanding Minister for Finance, Senator Matthias Cormann, will tell you, it is easier to spend money than to save money. Unfortunately, in modern politics it is far easier to demolish good policy proposals than to build and implement them.

In this place we all know that it will only be our family and very close friends who will push our wheelchairs around as we grow old. My closest mate, Andrew Burnes, has been a tower of support for me, through thick and thin. My family, both the Hockeys, that I was born into, and the Babbages, that I married into, have provided much love and unconditional support. My parents taught me values, and for that I am forever grateful. I hope I have made them proud. My brothers, who are here, and my sister shared that journey. I grew up in a house full of integrity. There was no back door you could sneak out of with a temporary leave pass to be disloyal or dishonest for just a few days. Growing up in a small business family I learnt that rewards will come as a result of hard work and innovation. In particular, you should never, ever put your honesty or your integrity up for sale. I was taught by the Jesuits that it is better to serve than to be served—to be a man for others. It would have been impossible for me to serve in this place without the support of my wife, Melissa, and our children. Last Monday was Iggy's sixth birthday, and I have missed every single one of his birthdays. I won't miss another one.

On the day I got married I officially joined the 'men who bat above their weight' club—and I was heavier then! For more than 20 years, Melissa has earnt the majority of the income, paid the bills, paid the mortgage, given birth to our children and raised the family. I suppose she is probably asking, 'Why did I bother?!' She ran a global business and suffered my long absences from home. My wife, like all of your wives, husbands and partners, was a conscript to politics—I was the volunteer—yet her counsel has been wise and her loyalty has been fierce. She shares my values and well exceeds my capacities. I am so pleased for our children, Xavier, Adelaide and Iggy, that their mother's DNA has been dominant over mine! It has been the greatest advantage for them in life to have a mother who is simply the most impressive person I have ever met.

Of course, the greatest achievement of a parent is to leave the next generation better off. The best measurement of political success is to look around you and see that you have made a positive difference. 'Si monumentum requiris, circumspice'—which is Latin, meaning: 'If you are looking for a monument, look around you.' I have always subscribed to the view that, no
matter what, I want my successors to succeed. I want them to be better than me. I want the Turnbull government to succeed. I genuinely want you, Malcolm, and all of my colleagues to be very successful—to be the best government Australia has ever had—because I owe that to my community and I owe that to my children.

All my life, I have subscribed to the principles of modern liberalism. In my maiden speech, I defined them as protection of individual rights, defence of parliamentary democracy, a commitment to positive reform and equality of opportunity. It is true, but it must be said: if you do not have core beliefs, then you have no core. When you are asked to make very difficult decisions that have a huge impact on people's lives, without a guiding philosophy you will inevitably be indecisive or, worse, inconsistent.

In the darkest days of opposition, I delivered a number of speeches that encapsulated my values. They focused on issues as diverse as faith, liberty, youth, opportunity, enterprise and, the most controversial of all, entitlement. Finding the solutions to the social challenges and the financial threats of today cannot be postponed to another time; it cannot be left to another generation. Intergenerational theft and betrayal is not the Australian way. Because we are running deficits and borrowing money, our lifestyle today is being paid for by our children and the generations beyond. I challenge all and sundry to name a speech in the last 20 years that has influenced the national debate in the way that the 'End of the age of entitlement' speech did. I gave it in opposition to a group of just 40 people in London, including quite a few Tory MPs. No media were present. Yet the speech had an impact in a number of different countries. From opposition, it gave the Labor Party in government a leave pass to start to wind back unfair welfare entitlements. When we came to government, if we had not begun by ending the age of entitlement for business, there would have been no free trade agreements because the cost to the nation would have been too great. They are outstanding agreements, but they had been earned. We did not write out billions of dollars of taxpayer funded cheques to Toyota, Holden, Qantas or Coca-Cola Amatil because we could not justify taking money off the local butcher or the local plumber or the local farmer so that a profitable big business could be even more profitable.

And we began ending the age of entitlement in welfare by abolishing seven different payments and means-testing three others—but there is still a long way to go. It is unconscionable in 2015 to have non-means-tested welfare. How someone in the top one per cent of income earners can still qualify to receive welfare payments, free health care or free education is beyond me. When Iggy broke his leg last Christmas, the total cost for us was just $35 to cover the cost of a waterproof leg cast; otherwise everything was deemed free. But, in truth, it was not free. We borrow billions of dollars to pay for the health and hospital system, and he and his generation are going to end up paying for it. I see that as unsustainable. It is unfair and I will not be party to a generation that passes the buck. What we have to do is live within our means. We need co-payments in health, greater cost recovery in education and universal means testing in welfare so that we have a sustainable and affordable social safety net for those most vulnerable in the community.

Of course, the easiest way to achieve these reforms is for bipartisan agreement to be reached. I am pleased that there is some agreement coming through now. It is possible because, I think, we all genuinely care for the elderly, the sick, the poor and the
disadvantaged, but the only way for future generations to be able to pay for compassion is to end the age of entitlement.

Earlier this year, I released the Intergenerational report, which detailed the challenges and opportunities that Australia’s ageing population brings. Living longer is something we should all celebrate, but it requires careful economic planning. We must prepare for change and not squander it. Some experts have observed that babies born today could live to 150, meaning the challenge is even greater than what we are currently planning for—so we have to think ahead. Consider this: unless we change the retirement age to 70 by 2035 and then index it to longevity, by the middle of this century some Australians will be spending the majority of their lives in retirement. Both our superannuation system and our age pension entitlements must be calibrated for our changing demographics. We need a comprehensive and bipartisan review, followed by action in this area.

And we need the infrastructure to support the change in demographics. Over the last 20 years, mobile phones, coupled with better, more affordable broadband, have been a technology and lifestyle game changer. Over the next 20 years, battery technology, energy efficient technology and driverless cars will be revolutionary. Unless we build the infrastructure now that facilitates the future, rather than languish with infrastructure that impedes the future, we will fail our children.

I want to pay tribute—at some risk to my safety in getting out of this building!—to the previous, Labor, government for initiating the National Broadband Network. It was not fully paid for, and the Prime Minister did a great job repairing it, but it was a very significant commitment. My Asset Recycling Fund and the record infrastructure funding in the 2014 and 2015 budgets will make a big difference. The Medical Research Future Fund is my single proudest achievement. It will dramatically change the lives of Australians and people around the world forever.

But of course we need to pay our way for this new social and economic infrastructure. For 20 years I have joined with the member for Grayndler in fighting for Badgerys Creek airport, and at long last it seems to be happening. But it will only truly happen if it is fully funded. As Treasurer I started work on this and had policy approval for a levy on traffic movements at Kingsford Smith Airport. That locked in the funding for a fair dinkum Badgerys Creek airport and fast-tracked transport services to Western Sydney to match. I sincerely hope it goes ahead.

Our soft infrastructure is crucial as well. The financial system inquiry that I initiated ensures that we have the best financial system in the world. I am very proud of it and I am very pleased that the Turnbull government has embraced it. The competition policy inquiry that I initiated in opposition, which had the support of the indefatigable Bruce Billson, member for Dunkley, is a positive new direction for commerce in Australia. We are the only government that had the courage to introduce the most significant changes to our foreign investment regime in 40 years. I make no apologies for being the first Treasurer to have the courage to properly enforce the divestment powers in the act. But ultimately, if we want to be more innovative and competitive, we must have an industrial relations system that is contemporary and a tax system that is fair.

John Howard always loved giving me the easy jobs, so I was very enthusiastic when he gave me responsibility for Work Choices—I relished the chance! Yes, Work Choices did go a
little too far, and the fairness test was too late. But I am afraid Labor went too far the other way, and we have a structural imbalance in our workplace relations system that costs Australians jobs—and better-paying jobs at that. The current structure of penalty rates is profit murder for small business, particularly if they are competing on a digital platform. It also drives consumers to buy their goods offshore.

Our taxation system needs reform for the 21st-century economy. Integrity is crucial for that, and through our leadership of the G20 we hardened the resolve of major economies to address base erosion and profit shifting. In the 2015 budget I released legislation that goes after profit shifting by multinationals with what would now be regarded as the strongest laws in the world. I also managed to carry the states—no mean feat; sorry, Gladys!—on GST reform that ensures that our offshore suppliers charge the GST and are not disadvantaging Australian based businesses. Integrity is hugely important, but the best way to get compliance is to have lower, simpler and fairer taxes, and we started that process by abolishing seven taxes and fixing 96 other tax problems. But the reform had to go further, and through a comprehensive review of the tax system I endeavoured—and failed—to keep all options on the table.

We must increase and, over time, broaden the GST. We must lower all income taxes so that people and companies are given more incentive to take risks and receive rewards. But at a minimum we should aim for a 40-20-20 rule: a 40 per cent top personal tax rate at a much higher threshold, a 20 per cent tax rate for most taxpayers and a 20 per cent tax rate for businesses. We should be wiser and more consistent on tax concessions to help pay for that. In particular, tax concessions on superannuation should be carefully pared back. In that framework, negative gearing should be skewed towards new housing so that there is an incentive to add to the housing stock rather than an incentive to speculate on existing property.

And we should never, ever forget small business. The 2015 budget was the best ever budget for small business. It was all about tax cuts, not more government spending. The $20,000 instant asset write-off was a game changer for Australian small business. The budget also gave more farmers more choices. It gave them an opportunity to have a go. It gave Northern Australia an opportunity to have a go. And it gave families the chance, through better child care, to have a go. The 2015 budget aimed to fire up ambition for everyday Australians. On the back of that I really welcome the Turnbull government's commitment to facilitate new innovation policy. It will be a key contribution to our economic future.

In the House over 100 years ago former Prime Minister George Reid defined our Australian values better than anyone I have ever heard. He said:

There is no country in the world where the people are less paralysed by reverence to the past. There are no people in the world who have fewer fears for the future.

We should encourage Australians to be their best, to achieve what they can and share the rewards as they choose. As a nation, as a parliament, we must continue to be ambitious and bold. So I say to this House, as I say to my own children, seated here in this chamber: 'It is far better to dream mighty things, to seek glorious triumphs even though chequered by failure, than to be amongst those poor souls who neither suffer much nor enjoy much because they live in the great twilight that knows neither victory nor defeat.'
Mr TURNBULL (Wentworth—Prime Minister) (11:29): This is a big day in the life of a big man. One of the giants of the parliament is taking his leave and all of us rose together and applauded him because we admire you, Joe. We love you. You have made an enormous contribution over nearly 20 years. You have held high office for almost every moment you have sat in this chamber and you have executed every office you have had, discharged every office you have had, with great passion, with imagination and with great compassion. As everyone who knows you knows, and most Australians do know you, you have a very, very big heart.

We have been friends for a long time. I remember those days before your three beautiful children came along. With kids, you have to understand the sacrifices your dad has made for you. One of them, after Xavier arrived, was I could not get you to be the forward hand in the sailing races anymore. It was a great loss. You are a very good able seaman first class, Joe, and perhaps when the children grow up you can rise further up in the nautical hierarchy.

We also have another thing in common. We have often remarked to each other that on the day on which each of us wed, we were batting way, way above our weight. You referred to a very wise remark of Tony Abbott's, when he said that all of us in this place are volunteers, that it is our family that are conscripts. The support and the love that you have had from Melissa and your children has been admired by everybody that knows you. All of us know we stand here in this parliament supported by our families. And you have discharged very high office, very controversial offices, offices where you have had to take tough decisions which were inevitably not popular, and that is very hard for the families. The spouse in particular, the children in particular, of a politician feel those cuts harder than the politician ever can. The politician can jump up and give a speech in parliament, get on the radio, denounce his or her detractors, state their case. The family just feels it, and we should all recognise that.

Joe, this is a celebration and a recognition of your life in parliament. But it is also a celebration of the great love of you and Melissa and your children and your family. What an amazing family story of yours. Your father Richard came to Australia as a young man, a young Armenian man, born in Jerusalem. He came to Australia and—

Mr Brough: Bethlehem.

Mr TURNBULL: Born in Bethlehem. Yes, I correct it. He grew up in Jerusalem—you told me that once—and came to Australia and started a small business, and prospered with his family. Your story is a classic Australian story of migration, of enterprise, of family, of small business and, above all, of love—of love from all of your family—and of support, the kind of enterprise that has made this country what it is today. Without wanting to be political, it is a story that is at the very heart of the small-business enterprise values of the great party of which we are both members.

So, Joe, we salute you. We thank you. We admire you. You have done Australia proud. You will, I am sure, do great things for Australia in the future. You are a sunny optimist at heart. You are not afraid to speak hard truths and you have spoken a few today, and I am sure you will speak them in the future. You have always been utterly candid. When I was Leader of the Opposition and you were, for much of that time, the shadow Treasurer, you were always utterly frank and forthright to me. There is no loyalty, no decency, in telling people, particularly leaders, only what they want to hear. Frankness, honesty, insight into the real situation and being able to convey that to your leader—that is the mark of real loyalty. You
have always had the courage of your convictions and the preparedness to say to those in power, those with greater power than yourself, exactly what you think, what you believe and why you think a particular course is right or wrong.

So, Joe, farewell from the House of Representatives, not farewell from public service. Whatever you do, whatever your course of life takes, I know that in your heart, together with the love of your family, who are here assembled, will be your love for Australia. You have a big heart, a big Australian heart full of love for a great nation. Thank you, Joe Hockey.

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (11:35): This is no ordinary day and you are no ordinary Joe. It is an unusual day. When people leave this place, some remark that it is actually easier to get here than to leave. But it is not always easy to leave at your timing and with the mutual respect of the people who serve here. The standing ovation, spontaneous from your colleagues and the opposition, should be one of the memories you cherish here because you cannot get that by just turning up. You cannot get that sort of respect. Respect cannot be given by a position or a title. It cannot be given by longevity alone. There is something else involved in achieving that.

It may surprise you that many of my colleagues want to say a few words about you—good words. They want to wish you and your family well. I think it is a great reflection on your friends that so many of them have come here to hear you say goodbye. But I think it is an even greater credit to you that you have inspired them to be here. It is fitting that you receive the thanks of this chamber. Nineteen years is a long time.

You went from backbencher to Treasurer. It was another Treasurer, Peter Costello, who said: ‘You can spend either the first half of your working life here or the second half of your working life here. You should not spend your whole working life here.’ It is something that I am sure we would all reflect upon at a time such as this when a central player and character in the Australian parliament story and in the story of government and politics bids farewell.

I understand that the timing of this valedictory is not necessarily what you would have imagined perhaps a couple of months ago. But you should draw solace from the fact that you leave this place with many years ahead of you to make a contribution. Again, all of us would perhaps hope that we could leave here a little bit in the manner in which you are leaving today. You have certainly earned it.

You have time on your side. You love this country. You want to serve it. I respect that. But also as a father I understand that you want the benefit of more time with your family. No-one in this place with a family or a partner enjoys those Sunday departures from them to come back here—but our families enjoy them even less. No-one enjoys cruel and mean things being written about them, but our families have even less capacity to protect themselves from it. You will be free of some of that.

I am sure you will be grateful for the precious time you will have with your kids and your family. I am sure they will be even more grateful. I am sure you will be grateful not to have to explain some of the things which get said and to have to tell your kids not to worry about it. I am sure you will be pleased not to have to deal with the concerns of your family as they have to put up with some of the ill-informed critique and hurtful comments that you so preciously want to protect them from and cannot always. I thank your family for lending you to this nation. It is time that they got you back.
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There is also a natural temptation at times like this to minimise the political difference of past battles. I do not think the member for North Sydney would want us in Labor to pretend that we were uncritical admirers of his actions. We have disagreed, often quite sharply, on issues. In the case of the 2014 budget, we disagreed on almost everything! On occasion harsh words were exchanged, but I have to say, Member for North Sydney, that you never shied away from the contest. You gave as good as you got, with the volume turned up. Given that you have three minutes to answer a question and we have only 30 seconds to ask one, you have always had longer to give it! The member for North Sydney would bump into you all day. He would wear the bumps and bruises. But he could still join you for a laugh, a wry grimace or, indeed, a beer at the end of the day.

The member for North Sydney and I share an admiration for Theodore Roosevelt. I know the member for North Sydney has a fondness for quoting him. I have previously heard him refer to Roosevelt's famous description of the man in the arena:

… whose face is marred by dust and sweat and blood; who strives valiantly; who errs, who comes short again and again, because there is no effort without error and shortcoming; but who does actually strive to do the deeds …

The member for North Sydney has been that man in the arena. He can leave this place knowing that we all think that he has strived valiantly, knowing that he fought in the most unforgiving arena in the land for things that he believed in. That is something that he can always be proud of. No-one can ever take that away from him.

In the grand sweep of our national life, serving in this place is a privilege afforded to very few. A place on the frontbench is rarer still. To serve as the Treasurer of the Commonwealth of Australia is an honour that only 39 members of our parliament have ever known. Joe, as you know, Teddy Roosevelt said:

Nothing in the world is worth having or worth doing unless it means effort, pain, difficulty …

Teddy went on to say that he 'never envied a human being who led an easy life'. Instead, he 'envied a great many people who led difficult lives and led them well'. Member for North Sydney, I envy the parliamentary life you have lived. I envy the distinction and decency with which you have lived your parliamentary life. On behalf of the opposition, I wish you and your family well in everything you do from this day forward.

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (11:43): I join the Prime Minister and the Leader of the Opposition in paying tribute to Joe Hockey, the member for North Sydney, on his valedictory speech but particularly for his contribution to the parliament over almost 20 years. I noticed his commentary about his maiden speech. We do tend in our farewell comments to the parliament to go back to those early remarks and, I guess, judge ourselves on what we said, what we predicted and what our goals and objectives were at that time. Joe himself has today quoted from his first speech. I suspect I was in the parliament to hear that speech, but I have to admit that I cannot remember every detail! It was, therefore, refreshing to read it again. Indeed, it does very much reflect the character of the man who came into the parliament. Those values have been very clear and very evident through his whole career.

He certainly has been one of the great characters of this parliament. As others have said, he has made a big contribution in every sense to the parliament, to government and to public life in Australia. He also had a big voice, so he was able to overpower even the most vigorous of
interjectors, and his way of responding to questions during question time certainly encouraged and enlivened his colleagues and brought a great degree of spirit to the parliament.

It is a parliament that is very different from the one which he entered 18 years ago, and I am not sure that all of those things are for the better. The parliament has certainly become noisier and it has become less able to deal in detail and, I think, constructively with many of the key issues that need to be resolved. Joe, in his maiden speech and, indeed, in the way he has dealt with all policy issues has always been keen to look at issues from the perspective of their long-term impact and their capacity to make our country a better place. The arguments are not always simple; they are often complex, and it is often a matter of judging and making a balance between the various options.

That is where I think our political debate in Australia now is so difficult. Even the most seemingly near perfect of policies is likely to have its critics. The modern access to electronic media, Facebook, Twitter et cetera means that the critics are always there. They are the ones that get the vocal attention. No matter how worthy and meritorious the policy commitment may be, the reality is that you can always search long enough and hard enough to find somebody who will be opposed—and they get equal billing in the media. If you are a Treasurer trying to sell a difficult policy issue, that certainly makes having a rational debate difficult. Joe has been through seven elections. He has faced the good times and the bad times and he has been a champion of the parliament through all that time.

I would like to make a particular comment about something he has had to do over the last 12 months, which is be the chairman of the finance ministers for the G20. Australia had a very successful year hosting the G20. We were expected to provide some policy leadership. In that regard, economic policy issues were the key focus that we chose for G20. Joe's leadership as chairman of the finance ministers over that year has made a difference to the way in which countries look at the major financial issues that we have to deal with and, in particular, our capacity as a planet to plan for the future. That global leadership has been recognised by our partners in the leading nations of the world, and I really congratulate Joe on his capacity and the way in which he dealt with those particular issues.

When you are a Treasurer you have to make a lot of hard decisions and when you are a spending minister you often feel you are the victim of those hard decisions. But what I really admired about Joe Hockey's career as a Treasurer was his vision for our country and his preparedness to be innovative in trying to address the issues. He inherited a debt. He inherited very difficult budgetary situations. But he had a determination for our country to continue to build—and if you build, you have to be able to spend money and you, therefore, have to be able to afford the cost of what you are proposing.

As the minister that had the special privilege of being involved with infrastructure during this government, I saw how his willingness to look outside the square has meant that a lot of very important projects in Australia are happening which otherwise could never have been funded, projects like WestConnex and NorthConnex. He referred to Badgerys Creek and how he had bridged the gap between what this project is going to cost and what it can service from its revenue. The Toowoomba Range project is happening, a project that has been around for a long time and one that I have to acknowledge was not close to Joe's heart early in the piece. But when it came to the fact that it had to be built he was there looking for innovative ways in which it could be funded. There is also the Melbourne to Brisbane railway line. We are not
quite there yet but, again, we are looking for ways in which we can fund projects that are so essential to our future—and, therefore, need to be built—but are always difficult to fund.

Then there is the way in which he dealt with some of the social issues such as the childcare package and the small business package, which really made a huge impact in small business communities and, let me say, the farm sector—and I know that Joe prides himself on having been a farmer also. He bought a lovely property up in North Queensland, and I think that may have warmed his heart. But I was a bit taken aback when he told me one day that he was going to sell the farm because he was not getting a big enough return on the investment. Now, I have to say, Joe, that is the real life of farming. I hope that one day you will have the courage to do it all again because I am sure you could make just as great a contribution to agriculture as you have to so many other elements of life.

But I think that involvement was a key element in his passionate and enthusiastic support for the northern Australia package. Again, it required an enthusiastic Treasurer, otherwise it would not have happened. So now we have the most visionary plan for northern Australia that our country has ever seen. It is something that will make a real difference and give the North its chance to contribute to the continent in a way we always wanted it to do.

The Treasurer has a difficult task. Joe has given every possible commitment to that work, and I was moved, I think it was in the lead-up to the last budget, when his family came to Canberra for a couple of weeks. It highlighted a number of points for me. Foremost of those is that the Treasurer's job is all-consuming. Also, families are important, and it is important to be together during the school holiday time. Families make a sacrifice, and I thought the arrangements that Joe put in place so his family could be with him in Canberra for a while as he was finishing off the budget were a wonderful tribute to his dedication and to the commitment of his wonderful family. We pay tribute not only to Joe and the team of people that have supported him in his electorate but also to his family, to his parents, to those who are around him and particularly to Melissa and the children for the wonderful contribution they have also made to our country.

Joe, in his maiden speech, outlined some of the things that he wanted to do, and now, in his valedictory speech, he has also laid out a visionary plan for the future. He has demonstrated his true love and affection for his country and his continuing determination to help make it a better place in which we all can live. It takes a toll on people personally, and on their families, but the contribution that Joe Hockey has made as Treasurer of our country has made our nation a better place in which to live. He has set up some opportunities and given us some capacity to do things in the future, not all of which will be finished in his time but will be a part of his legacy to the country. It has been a pleasure to work around many tables with the member for North Sydney over his time in the parliament. He is a truly great Australian, a man I admire both personally and for his contribution to our nation. I wish him and his family good health and every happiness for the future.

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (11:53): Previous speakers today have covered—and no doubt subsequent speakers will cover—in some detail the member for North Sydney's many achievements as a minister, but I want to speak about a different Joe Hockey today. I want to speak about Joe Hockey the friend. If you look up in the gallery today and you look at his family here, you will know that Joe is a man who is able to form relationships and—that is really difficult in politics—keep them. It is wonderful to see
that so many of Joe's old friends have made the effort to come today to be with him on this very important occasion.

I have never shared a couch or a paddle-pop or quality TV with Joe, but I do think of myself as a friend of Joe's. In the lead-up to the 2001 and 2004 elections, in particular, Joe and I used to spend quite a bit of time together on the Steve Chase program, doing our weekly radio spot. I got to know Joe pretty well during that time, and one of the things that struck me in particular was that, despite people saying that North Sydney was a safe Liberal seat, Joe never took it for granted. That takes me to Joe Hockey the local member. As I used to travel up to Steve's studio there, I would see a million signs on the telegraph poles and I would see parked vehicles all along the highway with big 'Joe Hockey' signs. I used to say to him, 'Joe, it's a safe Liberal seat; what are you doing?' He said, 'No seat is safe.' I really admired that about him at the time too.

It is interesting, going back through my files, to find a Focus North newsletter that Joe, as local member, put out to his constituents in North Sydney. This brings me to Joe the minister, because, even in April 1998, Joe was writing about reforming our tax system. Not quite every idea in this newsletter has been taken up by the Abbott or Turnbull governments, although I do see the opening paragraph says, 'It's important to have a system that has an incentive to work and an incentive for responsible saving.' Joe also says in this newsletter—this is perhaps a little piece of advice that he did take throughout his ministerial career: 'The art of taxation consists in so plucking the goose as to obtain the largest amount of feathers with the least possible amount of hissing,' a terrific quote from Jean-Baptiste Colbert, 1665.

As well as Joe the friend, Joe the local member and Joe the Treasurer, I want to tell you a little bit about Joe Hockey the feminist. When I was Minister for the Status of Women, I saw the work that Joe Hockey and then Robert McClelland, our Attorney-General, did as the parliamentary convenors of the White Ribbon Foundation. Even after the devastation of the 2007 election loss—I say 'devastation' for Joe, not so much for us; we were pretty happy—Joe turned up to the comedy debate that the White Ribbon Foundation put on. In 2008 he and Robert McClelland hosted a parliamentary function where they released a report, with Andrew O'Keefe, about the effect of domestic violence. I think the report was particularly focusing on teenagers. Throughout his parliamentary career, there has never been a question or a suggestion ever that Joe was anything other than the most enthusiastic advocate for gender equality. I have to at this stage say: Melissa, no doubt that has been a great deal influenced by you and by not just your professional achievements but, as Joe has described, the work that you have done to hold your family together during his long absences and his hard work.

As well as Joe the feminist, we have Joe the dad. It is wonderful to see Xavier, Adelaide and Iggy here today. I am sure the speeches are getting a little bit long and boring for you kids, but, if you are able to remember this day, I hope you remember it as the day that people on both sides of this parliament acknowledged the fine work of your father and the commitment he has made to our country, and I hope you also see it as the day that you got your dad back.

I want to finish with just a comment about another defining feature of the Joe Hockey that we know, on both sides of this chamber. Joe has always been so proud of the contribution his parents have made to our country. He has been particularly proud that his father, born of
Armenian background in Bethlehem, was able to come to this country and contribute so fully and so generously. Australia is a country of migrants. It is the classic migrant story—to leave behind everything that is familiar and to come here with little language, no money in your pocket, only the suitcase you carry, and to be allowed, in our great democracy, to work hard, to struggle, to achieve, to enjoy that success and to see your son go on to serve in the Parliament of Australia. It is a wonderful tribute to you as a family, but it is also a great expression about what is best in our nation. Joe, you are a many-faceted man, and I have covered just a few facets today. No doubt your colleagues will want to cover much more of your professional achievements. What we look forward to is seeing your future. We hope that the next phase of Joe Hockey is the phase that gives all of us still here hope that there is life after politics.

Mr MORRISON (Cook—Treasurer) (11:59): Thank you for the opportunity to add my thanks to those who have already added their thanks, here, today, to a big man. Joe is a big man and he has shown his bigness in these difficult events. He has shown his bigness in character in so many ways, to so many people, over such a long time. He is big in size and stature but he is big in character.

He is big in a number of other ways as well, and there have been many reflections on Theodore Roosevelt. Those of you who visit my office will know there are quotes by Theodore Roosevelt around the walls. The first thing that comes to mind about Joe is his big heart, which others have mentioned. Roosevelt said: 'No-one cares how much you know until they know how much you care.' And no-one was ever in doubt over how much Joe Hockey cared. His big heart is shown in his love of his family, which we have all observed and marvelled at and been humbled by. If we could only show, in the same way, the dedication he has to his family to our own families. He provides a great example of a husband, a father and a son. All of your family can celebrate your achievements and the bigness of your heart, Joe.

There is his love of family but also his love of friends. Mateship is the Australian word for love and, in that sense, Joe has no peer as a mate. He has shown his mateship to his friends in extraordinary order. His love of community, I will come to a little later on. Joe is passionate about his community. He always has been. It is the first reason he has always been in this place and, as a former state director, mate, I have to commend you on always talking to your electorate—up to your very last time, here, in this place.

He has a love of country. I served with Joe on the National Security Committee of Cabinet. He is a passionate Australian. His first loyalty and allegiance—there is no second, third, fourth or fifth with Joe hockey. His loyalty and allegiance is as a patriot and as a passionate Australian. It is not just shown through his great support of the Wallabies and his many other sporting interests. On that committee of cabinet, where being a patriot is your first responsibility, on every occasion and in every measure Joe was more than up to that task.

It was also his big heart and his love of fellow human beings. I have held some difficult portfolios that have dealt with difficult issues. Joe was a source of encouragement and support to me, in those portfolios, and was able to bring to our conversations, whether privately or more broadly, his big heart and his love for others. In the area of refugee and humanitarian work, he always stood up. He stood up to John Howard on these issues. We can remember when he famously recounted those events, here in this House, in that very long debate we had...
on those issues. He shared those with me, and I will always be grateful for that element being brought into our conversations and relationship.

Joe is a man with big humour and big passions. We have all enjoyed that. Joe and I particularly enjoyed our rivalry over the Southern Districts Sydney university Rugby challenges. The one I think we enjoyed most is the one where Joe and I had made a bet on how many times he could say 'Captain Emad' in addresses to this House. There was a bottle of red on the back of that—and Joe more than fulfilled, in that respect.

He is also a man of big shoes to fill, and it is my task to fill those big shoes. His big shoes are in so many areas. As a local member of parliament Joe has been an outstanding success, and I have said it on a number of occasions this morning. The people of North Sydney will miss you, Joe, because you have been such a fantastic local member. That has always been part of your passion. The Armenian community, particularly, in your electorate and surrounding areas will have lost a great advocate in this place. It is up to the rest of us to show that same passion you have for respecting the Armenian heritage and what happened, those many years ago, and standing up for those issues in this place. To that community, you will be forever remembered.

As a member of a government you are—without question—the best tourism minister this place ever saw and is ever likely to see, particularly on our side of politics. There were good tourism ministers of the other side. John Brown comes to mind. But you are his match, you are his equal and you are his better. The tourism industry will never forget your contribution. I was serving in it at the time, with the white paper, those many years ago. You set the standard. You have set standards in all the portfolios you have held, and it is for us to measure up.

You showed your leadership as Treasurer on the G20, on the issues you mentioned with multinational tax avoidance. You stepped up to the plate and were the voice of optimism in the world economy, the bright shining face on the opportunities for jobs and on the responsibility treasurers and foreign ministers have. On top of that, there is our shared passion for the Western Sydney airport, over many years, going back to the days when you chaired the consultative committee, for Sydney Airport, as a backbencher. To see this come to fruition will be tremendous. There must be something out there that we will be able to name after Hockey—it should be the Hockey terminal or the Hockey car park. You can take your pick, mate! Joe's passion for the Western Sydney airport is what has brought this to reality and will see it come to reality.

In conclusion, I will say that he is a man of big vision who followed another one of Theodore Roosevelt's pieces of advice: 'Keep your eyes on the stars and your feet on the ground.' That is what you have always done, Joe. Thank you.

Mr BOWEN (McMahon) (12:05): The retirement of Joe Hockey is a very significant day in the 44th parliament because Joe Hockey is a very significant figure. He had almost 20 years of service to the parliament, 10 years as a senior figure in his own party, and is one of the best-known political figures in the country. As has been mentioned, the member for North Sydney and I, and outside of politics, have had differences and disagreements. I would disagree with some things in his speech, a few moments ago, and agree with others. But I will say this and be very clear about it: Joe Hockey was a very formidable opponent, never to be taken lightly and always to be respected.
He had his strengths and his weaknesses, like all of us, and an array of talents to call upon. He was no white-bread politician. For years, he entered the lounge rooms of millions of Australians every Friday morning, with Kevin Rudd, a pioneer of morning television, a task some of us would have struggled with but he excelled at and it did him well. He was prepared to take risks and to be courageous.

There is something that nobody can ever take away from Joe Hockey: he was Australia's 38th Treasurer. Nobody can ever take away from him. He has held that uniquely Australian office with the great responsibilities that go with that great office of state. And I remind Joe and the House today of something that Australia's 27th Treasurer said—a very good treasurer; a briefer treasurer than Joe Hockey—that is, Bill Hayden:

To be the economic manager of the nation was an overwhelming privilege. It was in many ways a more significant role than that of Prime Minister, although some former treasurers who have moved on would clearly not agree with that assessment.

I also want to say, through you Mr Speaker, something to Joe Hockey's family: there is not long to go; the speeches are almost over, kids! That is one thing. But there is something more significant. The former Treasurer, Joe Hockey, has a very young family. They may recall—I know he recalls—one day when, by complete accident, by complete coincidence, his family and my family turned up at the Powerhouse Museum at the same time. Passers-by might have thought it a bit strange—maybe some thought it was a conspiracy. But there we were at the Powerhouse Museum together. The role of modern-day Treasurer is an enormously onerous one—not only the endless ERC meetings, dawn to dusk, locked away in the Treasury building in the lead-up to the budget for weeks on end but also the international travel, now more important than ever before in this interconnected world. Director of the World Bank and of IMF are very important roles, as are director of the OECD, representative on the G20 and APEC, and other commitments—all time taken away from family. All essential; all time taken away from family. So I want to say to Adelaide, Ignatius and Xavier: I know you missed your dad, and I know that at times you were wondering what he was doing and why he was not with you. But you should always be proud of him. And in years to come, you will understand better why you should be proud of him. He was a true patriot doing an important job for his country. And although you would have missed him, you should always proud of him.

Also through you, Mr Speaker, to Melissa—Joe Hockey knows my views; that if Melissa had come to this House, she would have been a very, very formidable operator. She is an accomplished businessperson, and she may have been Australia's first female Treasurer—and, given that they met at a Young Liberal conference, it is not impossible that that might have happened. Public life was not for Melissa, but her contribution was substantial, through the family, and that should be acknowledged in this House today.

We should also acknowledge Joe Hockey's staff, as he has done. For myself, I want to particularly acknowledge Grant Lovett. I know, in a very contested and controversial environment, there was still business to transact in the national interest between the Treasurer and the shadow Treasurer. I know my chief of staff, James Cullen, valued the relationship of trust and discretion, and getting things done, that he had with Grant. It was always a courteous and professional relationship, in the national interest, and I acknowledge Grant in the office today.
In conclusion, Joe will reflect on the highs and lows, on the tumult, and on what might have been. But most of all, he should acknowledge and respect the achievements of a life of service which is far from over. I know that his service to the nation has more to go, as it should. He has much to contribute, in whatever capacity he chooses, and he goes with the best wishes of all of us.

The SPEAKER (12:11): I thank the Prime Minister, the Leader of the Opposition, the Deputy Prime Minister, the member for Sydney, the Treasurer, and the member for McMahon.

Joe, when you began your last speech just over an hour ago, you reminded us of the first line of your first speech, which was:
I am in Canberra today because I want to make a contribution to the future of Australia.

Over seven parliaments, from that 38th to this 44th, over nearly 20 years: you have. With passion and compassion, with strength and with decency, with fortitude and—as we saw again today—with that wonderful, self-deprecating humour. You have served your electorate, this parliament and our nation with honour and integrity. In that first speech nearly 20 years ago, you spoke of your family. Melissa was there that day, as she is this day. You said Melissa would walk with you through the highs and lows of political life—and Melissa: you have. Today we recognise all that you have done. We thank you for your incredible contribution. To Joe, Melissa, Xavier, Adelaide and Iggy: we wish you all the very best for the future.

Mr PYNE (Sturt—Leader of the House and Minister for Industry, Innovation and Science) (12:12): Before I move the motion to refer debate to the Federation Chamber, I would just like to add my own tribute to the remarks that have been made by the Prime Minister, the Leader of the Opposition, the leadership teams on both sides of the House, and the Treasurer and shadow Treasurer. I think it is probably fair to say that, of all the people in this chamber, I have known Joe Hockey the longest. We were friends in our teens when we were in the Young Liberals together, him from New South Wales and myself from South Australia. We fought many fights together—many of which we have won, some of which we have lost—both internally and externally; both against the Labor Party and within the Liberal Party. And we have also had some great parties together over the years in this building—some of which are the stuff of legend, and some of which will never be discussed, particularly in front of the children, Mr Speaker! But on a serious note, I thank him for the contribution that he has made to Australian public life. Two decades of service is very long period of time, and he has acquitted himself well on all fronts, as a member of parliament and as a minister. We will be poorer for his leaving the chamber, but I know that he will go on to serve the Australian public in another form in the months ahead.

Reference to Federation Chamber

Mr PYNE (Sturt—Leader of the House and Minister for Industry, Innovation and Science) (12:14): Mr Speaker, I ask leave of the House to move a motion to enable further statements on indulgence on the retirement of Mr Hockey to be made in the Federation Chamber.

Mr Burke: Yes; as an act of mercy to the kids! There will be plenty more speeches upstairs, but leave is granted.

Mr PYNE: I move:
That further statements in relation to the retirement of Mr Hockey be permitted in the Federation Chamber.

Question agreed to.

BILLS

Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015

Customs Tariff Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015

Second Reading

Cognate debate.

Debate resumed on the motion:

That this bill be now read a second time.

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (12:15): I rise to speak on the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015 and related bill. Labor have always been a supporter of the China-Australia Free Trade Agreement. We worked hard to progress it while we were in government and we are pleased to see it come to fruition now. The Leader of the Opposition spoke about the relationship with China that our Prime Minister Gough Whitlam first established when he established diplomatic relations between Australia and China and became the first Prime Minister to visit China in 1973. When our relationship with China began to develop, the Chinese economy was smaller than that of the Netherlands. Today, China's GDP approaches and is likely to outstrip that of the United States. On some measures of economic size, China is already the largest economy in the world.

China's economic growth brings tremendous opportunities to Australia. We have seen those opportunities bring enormous economic benefits in our resources sector but they are not limited to our resources sector. This is why, when Labor was last in government, we produced the Australia in the Asian Century white paper. We made sure that the changing dynamics and the emerging opportunities of the region were included in every area of government decision making. We understood that, as China's economy grows, our returns will not depend as much on the resources sector but will be dependent on areas like services as well.

In recent years, China has lifted 600 million of its own citizens out of poverty. And President Xi Jinping has spoken at some length of the China dream—his view that living standards for all Chinese should increase over the coming years. This obviously brings new opportunities for Australia. There will be opportunities to produce new goods, new services and opportunities to export those to an increasingly prosperous China. There will be opportunities as well to provide the services that will be in demand in China. Whether in education, financial services, hospitality and tourism, legal services or in aged care, as the Chinese population ages, the China-Australia Free Trade Agreement will open up new opportunities for Australians.

Of course we are happy to support the China-Australia Free Trade Agreement but I have to say that this is not exactly the agreement that we would have signed had we been in government. The Leader of the Opposition has covered in some detail some of the
shortcomings and limitations that we see in this agreement. I want to focus on one in particular. I want to focus on the inclusion of an investor-state dispute settlement clause, which is something that we would not have agreed to had we been the negotiators of this agreement. As the Leader of the Opposition has said, we have adopted a policy of not signing trade agreements with investor state dispute settlement clauses. We adopted that policy in government and we would have continued it had we still been in government. We oppose them now because we believe that they are not in Australia's best interests and we will seek to review investor state dispute settlement mechanisms that exist when we return to government.

ISDS clauses have been the subject of some concern in our community and for a range of experts right across the political spectrum. Whatever the argument in favour of ISDS clauses when they were first conceived, I think it is incontrovertible to say that they are now open to abuse and have been abused. I was the Minister for Health when the claim was brought against Australia by Philip Morris, the tobacco company. I think that this particular claim is a great demonstration of the perniciousness of these investor state dispute settlement clauses. I was the first minister to have to find millions of dollars, in fact tens of millions of dollars, to mount a legal defence against what we believed when we were in government—what I am still convinced of—to be an excellent public health measure in tobacco plain packaging that has successfully resulted in fewer Australian smoking and, in the future, fewer Australian dying from tobacco related courses. This claim was a cynical attempt by big tobacco to overturn our cigarette plain packaging laws. Those laws were properly considered by this parliament, they were debated extensively in the Australian community and they were introduced to protect the health of Australians.

These laws for plain packaging are now under attack by a Hong Kong subsidiary of Philip Morris. Its claim, of course, is that plain packaging laws breach the investment protections in the Australia-Hong Kong Bilateral Investment Treaty. Of course Philip Morris is not based in Hong Kong. It is a company that was founded in the United States and is now headquartered in Switzerland. Its use of the Australia-Hong Kong Bilateral Investment Treaty is global forum shopping at its very lowest. In fact, Philip Morris changed its corporate arrangements deliberately to exploit the ISDS provisions in the Hong Kong agreement and to sue Australia. This is a completely unprincipled attack on the Australian parliament's power and duty to make laws to protect the health and safety of its citizens. This company, as all tobacco companies do, makes its packaging attractive, particularly attractive to teenagers and to children, in an effort to get more people smoking because many of its existing customers keep dying. No matter how baseless such a legal action might be—and of course Australia is very confident that we will be successful in this legal action—it still ties up thousands of hours of departmental time for our public servants. It forces the government to pay for a legal team, in this case a pretty expensive legal team, to prepare a defence. Tens of millions of dollars get sucked out of our national budget because of the exploitation of big tobacco of this ISDS clause.

Sadly, of course this legal matter does not just have a chilling impact on Australia; it means that smaller countries that want to introduce similar provisions to plain packaging are worried about being dragged into similar court processes and are prevented from doing it. I cannot tell you how many conversations I had with health ministers from other countries saying, 'Well,
we're just kind of hanging back to see how the investor-state dispute settlement business goes in Hong Kong before we do what we know is in the interests of our citizens.'

So, as I say, we were disappointed to see an ISDS clause in this agreement. However, as we have always said, we completely recognise the importance of trade to Australia's economy, and we recognise that greater trade with one of the fastest growing economies in our region is going to be good for Australia. In the aspect of the investor-state dispute settlement clause, we would not have signed up with it. We also—as the Leader of the Opposition said, in much greater detail than I will—do have some concerns about some of the labour market provisions in this agreement.

I will leave you with just a very quick precis of those concerns. They are concerns that are not just concerns of the Australian Labor Party. They are concerns widely shared across the community. And I have to say it is no wonder that there is some scepticism and some feeling of disquiet amongst Australians when they look at the job destruction in the car industry under this government and the thousands of jobs lost, when they look at the government reopening loopholes in the 457 visa regime that Labor had closed, and when they look at employers bringing in more overseas workers on 457 visas than they told the government they wanted to employ in the first instance. Again, in my own area of health, we saw a lot of excellent, caring, wonderful nurses coming into Australia on temporary visas, when we graduate thousands of nursing students in Australia every year. But the state governments do not want to invest in their training years in public hospitals.

So it is no wonder that there are concerns in the Australian community about some of these labour market provisions, and our concerns were, I think fairly, grouped in three main areas. We wanted to see labour market testing for work agreements, including investment facilitation arrangements; we wanted to see—and this is very important, Mr Deputy Speaker Broadbent, and I know you know it is, as a member very much in touch with his electorate—safeguards to stop Australian wages being undercut and to stop overseas workers being exploited; and, thirdly, we wanted to see the strengthening of visa conditions for overseas workers in licenced occupations, to make sure that the quality of work continues to be high.

As the Leader of the Opposition has detailed, the safeguards that the government has agreed to address these concerns. I am delighted to say that the government has been willing to work with the Leader of the Opposition and with our shadow trade minister, Senator Wong, on addressing some of our concerns.

The outcome is that this agreement will provide greater opportunities for Australians without undermining their employment, their wages or their safety. We are pleased that the government has been reasonable on negotiating on the areas of our greatest concern. With these safeguards, we believe that this free trade agreement will be in the interests of Australia and Australians. These sensible protections for Australian jobs and for overseas workers who are brought to Australia, and in the area of workplace safety, owe a great deal to a wonderful trade union campaign which drew attention to the flaws in the agreement as it was initially proposed. They also owe a great deal to the leadership of the Leader of the Opposition and to the patience and determination of our shadow minister for trade and investment, Senator Penny Wong.

Mr TAYLOR (Hume) (12:26): Twenty-five years ago I was a young student about to head off to Oxford to do a postgraduate degree in economics, and I had to think about what I
was going to write for my thesis. It was to be a 10,000-word thesis, and it needed to be something substantial. My father, who, at the time, was president of the New South Wales Farmers and vice-president of the National Farmers' Federation, said to me: 'You should come and speak with our chief economist. He's an interesting guy—a bit quirky, but an interesting guy—called Gus Hooke, and he has some views about how the world will change in the coming decades that I think you should listen to and perhaps you could write your thesis about.' So I went off and originally I was going to spend half an hour with Gus, but I ended up spending a good couple of hours with him, and what he wanted to talk about was the rise of China and India in the coming decades and what it would mean for Australia and Australian agriculture. This was 25 years ago. I promptly ignored all of this advice and wrote a thesis on the brewing industry in the UK, which, at the time, seemed far more relevant to me, given my focus as a young student. But the truth was that Gus Hooke had seen where the world was going back in 1990. As I look at this free trade agreement and the other free trade agreements we are entering and, I am confident, that we will enter in the coming years, I think history will see, in 20 years time, that these are the most profound changes of this era of Australian history, because trade integration is the beginning of a much deeper integration with countries that will shape the world in the coming years, and we absolutely must be part of it.

I hear from many people that these free trade agreements do not have the impact that they are promised to have. Indeed, we had the Productivity Commission only a few years ago saying, 'These multilateral free trade agreements are wonderful, but bilateral— we are just not so sure.' But I say to those sceptics: look at New Zealand. Look at the South Island of New Zealand, and you will see there an industry that is selling five times more of its product than it was only a few short years ago. Despite the tragic earthquake we saw in Christchurch only a few short years ago, we have seen a transformation of the economy of the South Island of New Zealand, and of New Zealand more generally, which they are enjoying—and, indeed, which means that, here and now, the New Zealanders are getting well ahead of us. Right at the heart of that was a free trade agreement with China and at the heart of that was an agreement on free trade of dairy products into China, which, as I said, has been absolutely transformative for the New Zealand economy and for New Zealand's future.

The truth is that, as a result of this, we are getting behind. To understand the full potential of it, it is important to understand what is happening in China. We heard, only a few short moments ago, the Prime Minister describing the transformation in China, which we all pay lip service to, but I want to dwell on it for a moment. Exactly what is happening there is not well understood or not as well understood as it should be. We are seeing growth in income, growth in the middle class, urbanisation, industrialisation—all those buzzwords—but underneath that is a deeper transformation which the Chinese have learnt from hundreds of years of Western history. It is a transformation in their economy built on three fundamental platforms: infrastructure, institutional change and innovation. Of course, the first part that we have seen so clearly as Australians is the infrastructure investment—the massive investments in roads, bridges, airports and high-speed trains. That requires iron ore and metallurgical coal. We are seeing a shift from that to copper, which, again, is a fundamental input in that industrialisation and that infrastructure, but we have also seen a shift to thermal coal. Despite what some say in this House, the truth of the matter is that China's consumption of thermal coal has been growing at a dramatic pace and Australia has been a beneficiary of that.
The next stage of development is equally important. As those new institutions come into play—institutions which will inevitably decentralise power in China—we will see rising incomes flowing into, not just agriculture, but, as we have heard, services and other consumer goods. That decentralisation of power, which I think is an inevitable part of the development of a service economy, will be good for China and good for us. It will lead to massive increases in imports, not just of our products, but of our expertise, of our services, of our capabilities, of our knowledge, and that is a great opportunity for us.

I was privileged only a few years ago to do a piece of work sponsored by the ANZ bank looking at how financial services would be transformed by the growth of the Chinese economy. One of the absolutely stunning numbers, which was incontrovertible when you worked it through, was that Chinese capital markets have to increase something like 10 fold in the coming decades to meet the change in the financial flows. That is an absolutely inevitable part of the next stage of their development. They need to develop sophisticated equity capital markets and sophisticated debt markets, and all of the expertise necessary to do that is right here in this country. We can be a fundamental part of that. Australians are all over Asia now in financial services—in Singapore, in Hong Kong and in China—and I have no doubt that Australians will be absolutely fundamental in providing the capabilities and expertise necessary for that sector to develop in China.

Within that context we have this free trade agreement. We export $107 billion of product from Australia, much of which is taxed, and we import $52 billion, again much of which is taxed. Those exports have been growing at 19 per cent a year. That is an absolutely astronomical number. Any delay to this agreement, as we know, would have been very expensive for those exporters. We are behind Chile and New Zealand and we will fall behind the USA, Canada and the EU as the Chinese move from small-country free trade agreements to larger country free trade agreements. We are in the right place at the right time to get on with this.

The breadth and depth of this agreement is really striking. On entry into force, 85 per cent of our exports will be tariff-free and, once fully implemented, 95 per cent of our exports will be tariff-free. Of great interest to me, of course, is agriculture. There are $9 billion of exports. The beef industry will gain $270 million within a decade. We are already seeing massive growth in meat exports in China. Almonds and macadamia nuts will see the elimination of 24 per cent tariff. We are already seeing 14,000 new hectares of almonds in place. Dairy, which I mentioned earlier, will see great benefits. The Lion cheese factory in Burnie invested $150 million in preparation for Asian markets. I see one of my colleagues here from Tasmania. What a wonderful thing: we are seeing jobs and investment already in anticipation of the growth of these markets.

Central to this free trade agreement is our ability to better control and market our product. At the moment, much of our product is going to China—let's face it, through grey markets, through Hong Kong and other countries—but we cannot control where that product goes, we cannot control how it is branded and we cannot control how it is marketed, and there will be great benefits flowing from that. In resources, in energy and in services, I have already talked about seeing extraordinary benefits. I am very confident that, if we do the hard work necessary to knock down not just the trade barriers, the tariff barriers, but the nontariff barriers, those benefits will flow thick and fast. The relationship will deepen and, in 20 years,
when Paul Kelly or George Megalogenis are writing about how Philip Ruddock is staying for just one more term, they will be writing about the pivotal change that happened in Australia in 2015 when both sides of the House agreed to enter this free trade agreement.

Before I finish, I want to make a comment about one of the more difficult parts of this agreement that has caused some controversy and of course has been subject to a very aggressive campaign from some of the unions. The truth of the matter is that no-one in this place, as far as I know, is disputing a very simple principle: when it comes to jobs Australians come first, and when foreign workers come here they must have the skills to do the job. No-one is disputing that. Both sides of the House are in absolutely furious agreement on that. We must prioritise Australians above foreign workers and we must satisfy ourselves that, when we are short of a skill set, those coming in have the necessary skills to do the job.

The debate here is about the method: what safeguards work and what do not. The truth is that many of the safeguards that are being debated at the moment are ineffective. I will take labour market testing as an example. Let us be clear that labour market testing is a term of art. It describes putting an ad in the paper to see if anyone responds. But any employer in this modern era knows that that is one of the least effective ways of finding employees. In fact, regardless of the China-Australia Free Trade Agreement, under the Migration Act it is required that if an employer wants to bring someone in under a 457 visa they or others must have previously demonstrated that there is a skills shortage and the only way we can meet that skills shortage is to bring in workers from offshore. There is labour market testing, in the broadest sense of the term. Whether or not an ad in the newspaper is a necessary way of showing this is a matter that is subject to dispute. In fact, only last year we heard from an independent review by John Azarias and others that they felt very strongly that labour market testing, as defined in the 457 legislation and as I have described it, is not effective as a way of ensuring that we are putting Australians first. I welcome the fact that those opposite are working with us on this agreement, and I welcome the fact that we can have an open and sensible debate with them about what safeguards are necessary, but as part of that debate I do think it is very important to look at the facts on what the current safeguards do and do not do.

The other part of this that has caused some controversy—and we heard this from the previous speaker—is the ISDS system. Let us be clear that the investor-state dispute mechanism in this agreement has many carve-outs. It has carve-outs for environmental regulation, public welfare, health, culture and foreign investment screening. The Philip Morris case, which we just heard about, would not have been possible under this agreement. On top of that, in order for the investor-state dispute mechanism to come into effect under this agreement, it must be discriminatory. So the carve-outs are significant, they are far-reaching and they will all be reviewed in three years' time, with a view to establishing a more-modern ISDS system. This is a pretty primitive one. It is one that frankly gives little power and influence to anyone who may be concerned about the actions of the Australian government.

This is a profound agreement. I am very confident that in 20 years' time we will be looking back at 2015 and this time in government and we will be remembering the member for North Sydney's speech on the age of entitlement. But most of all we will remember the profound impact of the China-Australia Free Trade Agreement, the Korea-Australia Free Trade Agreement and the Japan-Australia Free Trade Agreement and, hopefully, the TPP, an Indian free trade agreement and many others. I commend the bill to the House.
Dr CHALMERS (Rankin) (12:41): I think it is consistent with the general approach taken in recent days to this important and profound trade agreement that there was much in what the member for Hume had to say a moment ago that I agree with—not all, of course, as we will never agree on everything on both sides of the House. But I do think he speaks with some authority on trade matters, particularly when it comes to the services sector and also to my area of interest, which is financial services. I wanted to mark that at the outset.

I am very pleased to rise today to reinforce Labor's support of the China-Australia Free Trade Agreement, and I am absolutely delighted to see the parliament come together and agree on the complementary safeguards Labor has proposed to protect the interests of Australian workers in particular. All along, we have wanted to see this agreement implemented, but we have also wanted to see that some of the legitimate concerns we had about the labour market were addressed. So I am very pleased to see the trade minister and the shadow trade minister come together and come to an arrangement that I think advances the national interest.

Our relationship with China is among the most important factors that will determine whether we succeed or fail as an economy and as a nation. Honourable members are already aware that China is our number one trading partner, with $160 billion of exports and imports, making up over a quarter of our total trade. The China-Australia Free Trade Agreement offers a significant opportunity to eliminate barriers on around 95 per cent of goods we export into China.

In the face of China's absolutely exploding middle-class, expanding our economic relationship with China will be crucial and central to our ability to grow. Growth means jobs and jobs mean opportunities for Australians. We are pleased to be supporting the enabling legislation, the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015, alongside the labour safeguards we have negotiated. I think it is also true that the China-Australia Free Trade Agreement is an important part of our relationship with that country, but not all of it. There is still more work we need to do to properly and fully leverage the benefits of the agreement.

To give a bit of history, Labor is the party of engagement with China, and has been ever since Gough Whitlam first visited Beijing, in 1971. Before most of the world even knew China existed or saw its potential, Labor has anticipated the importance that China would play in our future. Since then, I think any objective observer would agree that Labor governments have led the way on engagement with that country.

After Whitlam opened up diplomatic relations with China and cut Australia's tariffs to encourage trade in our region, we then had Hawke and Keating open up the economy to the world, dismantling our oldest protectionist instincts, and they hosted the first ever visit of a Chinese premier to Australia. Rudd, who was probably the most China-literate Prime Minister in the country's history, and Gillard developed our strategy for engagement with China. I played a small part in working with them on the *Australia in the Asian century* white paper. They also secured—which I think is underappreciated—a strategic economic dialogue with China for the very first time in Australia's history. That was an enormous achievement that is not talked about enough.

The Rudd and Gillard governments also made progress on the China-Australia Free Trade Agreement, and we would not be here in the parliament today without the efforts of the trade
minister’s predecessors like Simon Crean, Craig Emerson and Richard Marles. Through Whitlam, Hawke, Keating, Rudd, Gillard and now today, we have been the party of engagement with China. Today we will vote to ensure that our history and our inheritance of engagement with China will also be our future.

As Labor people, we know that freer trade with China is critical for the ongoing prosperity of Australia and our people. We know, in the face of all the challenges of technological, industrial, regional and demographic change before us, that we need to reach out to Asia, not turn our back on it. We know what China can offer Middle Australia in terms of lower prices and wider choices and how it can drive strong and diverse economic growth, which creates more jobs. Already trade accounts for $4 in every $10 of national GDP, and approximately every seventh job depends on exports—more than a million jobs in total. Deeper and greater trade with China must be a part of our country’s economic strategy in the years ahead as well. Our overriding objective should be to get for the people that we represent a slice of the action in Asia so that we are creating the jobs of the future—new and lasting jobs that replace the ones that we lose over time.

Already, as honourable members know, there is an incredible transition underway in both economies. In our own economy, we are seeing a big shift towards the services sector, which accounts for 80 per cent of Australian jobs and growing. I have done some work with my friend the member for Hotham on the services sector. There are no bigger supporters of the services sector in this country than the member for Hotham and me. We know from research and policy work that services jobs are higher skilled jobs, higher wage jobs and jobs that create better living conditions for Australians. We know that our fastest growing skilled jobs are in the services economy. Every single one of the 10 fastest growing skilled jobs in this country is in services. That is nothing to be afraid of. It is not just about accepting this transition in our economy; we need to embrace the fact that services are the future of our economy.

The ChAFTA has the potential to grow the services economy in Australia. It opens up the Chinese health and aged-care system to Australian providers, for the first time ever. It allows new commercial opportunities in China for Australian banks, insurers and security firms and it allows Australian insurers the first ever opportunity to compete in the huge compulsory third-party motor vehicle market in China. It improves access for Australian private higher education providers, opening up a market of around 237 million young people. Huge opportunities for Australian services providers come out of the China Australia Free Trade Agreement. I thank the various companies and peak groups that have met with me to discuss the services opportunities in the ChAFTA over the last weeks and months.

There have been some important achievements in the more traditional goods sectors as well—hard commodities and other traded goods. China will immediately remove tariffs on 85 per cent of Australian exports, by value, when the agreement comes to force. It will end up being something like 95 per cent when the ChAFTA is fully implemented. China will remove or significantly reduce tariffs on Australian beef, sheepmeat, dairy products, horticultural products, wine, barley, seafood and processed foods—sectors which employ more than 200,000 workers. The National Farmers’ Federation and the Minister for Agriculture and Water Resources, who is at the table, have said the agreement could see a tripling in agricultural exports to China over the next decade, and we should celebrate that fact.
ChAFTA also removes tariffs on Australian resources and energy commodities, transformed resources products, pharmaceuticals and other manufactured products. That will obviously facilitate greater trade between the two nations. But even the prosperity associated with the goods sector depends on our services economy. In the hard commodities area of traded goods, something like a quarter of the value of the exports comes from the services embedded in the exporting of a traditional hard commodity or good. Even the advances made in those areas will be good for services.

The ChAFTA can help us transition to a stronger services based economy, but only if we get the surrounding policy environment right. It is not enough on its own; we need a strategy to capitalise on the agreement. We need to see this agreement as the beginning of something, not the end of something. We need to understand that, now that we will pass the agreement through this place, we need to put lots of effort into ensuring that we leverage the maximum benefit for our people.

The success of the Australian services sector depends on us having the skilled labour force to work in it, the innovation to grow it and the culture to support it. Today, Australia as a country is not prepared enough to take full advantage of our relationship with China. Only nine per cent of Australian businesses are currently operating in Asia. Fewer than six per cent of our graduating high school students are studying an Asian language, and even those are mostly native speakers. Many people in the business community but also in this place are questioning whether we have people with the science, technology, engineering and maths skills in Australia to sustain the growing number of jobs that depend on those skills.

Our strategy for engagement with Asia, which I mentioned earlier—the Australia in the Asian century white paper—was deleted from government websites and unfortunately also removed from their thinking, their strategy. If we want to take full advantage of the ChAFTA, we are going to need to get the policy settings right in Australia to continue the process of modernising our economy, in the interests of all our people.

One example, which I touched on earlier, is the motor vehicle compulsory third-party insurance sector, which achieved some substantial breakthroughs in the ChAFTA. Wholly-owned Australian insurers will be able to offer motor vehicle insurance to Chinese car owners for the first time in history, as a result of this deal. I am especially excited about these gains for Australia's financial services sector in light of recently being given the opportunity to be Labor's shadow minister in these areas. I know from that work that the Chinese motor insurance market was worth around $111 billion in 2013 and has grown, on average, something like 21 per cent since 2005. That is an extraordinarily large market growing at an extraordinarily fast rate. But China's car density remains only 72 cars per 1,000 people—well below Australia's—and so there is huge potential for growth in the industry as more and more people enter the middle class and the ranks of car owners in China. China's insurance industry is also highly concentrated, with 68 per cent market share for the top three insurers and only two per cent of the business currently going to foreign insurers. We need to do what we can to change that. These statistics indicate how huge the opportunity could be for our insurance providers but, to take full advantage of this opportunity, we must ensure that our financial services sector in Australia is ready.

Success in the insurance industry depends on innovation and on a competitive edge, and part of this will be ensuring that we have got the workforce we need. Many in the industry are
worried about our STEM capacity in that place, and that is why Labor's STEM education policies are so important. We need to support more STEM training. That is just one of the challenges. Other challenges include cultural barriers and the need to come to grips with a very different regulatory system, on top of all the usual challenges of global business. The government does have an important role to play to get the domestic policy environment right to support the growth and capacity of the financial services sector, the broader services sector and, indeed, all of our businesses in this country.

The House is aware that Labor has agreed with the government on a comprehensive set of safeguards for Australian jobs. This will help ensure that we are maximising Australian jobs and minimising the risk of exploitation in the Australian labour market. We are very pleased that the government have agreed to these changes. There are three of them: one around labour market testing, one around market salaries and one around the relevant occupational licences—making sure that people who come here to work have the appropriate skills and registrations to conduct their work safely in this country.

The new obligations will be written into the Migration Regulations, ensuring that they are legally binding. They also mean, importantly, that we do not have to go back to the Chinese and try to renegotiate aspects of the deal. Also—and I think this is a very important point—the changes that we have agreed with the government do not discriminate against Chinese workers or companies; they are broad arrangements across the labour market and across the world. Our package will improve protections for all 457 workers in Australia, and that will ensure that the arrangements are better than originally proposed by the government.

The deal is not perfect. Even for a supporter of free trade like me, I concede that these deals are never, ever perfect. No deals which require compromises across borders and across countries are. Despite some issues we have with some elements of the agreements, we believe that trade agreements are on balance calls. We need to weigh up good and the bad and determine what is good for Australia. In this case, ChAFTA delivers us significant opportunities in the world's largest country, soon to be world's largest consumer economy by value as well.

With our proud and substantial legacy of Asian engagement on this side of the House, we are once again supporting further and deeper engagement with China. We are proud to support the agreement, particularly given that it has now been improved substantially by the safeguards that we have announced and that we have fought for all along. There is still more work for us to do to become the high-skill services economy we need to be to compete in our region in the future. Labor's place in this process is guaranteed; it is assured. We are on the side of deeper engagement, a more skilled and flexible work force and sustained economic growth for the benefit of more Australians.

**Mr NIKOLIC (Bass) (12:56):** I welcome the remarks by the member for Rankin in support of this bill and also for acknowledging that 'perfect' can often be the enemy of the possible. I also welcome the opportunity to make a contribution, and I acknowledge in the gallery my beautiful wife, Christine, who is here with us today.

The measures in this bill are modest, but the benefits of more trade between Australia and China are so important for our future prosperity. This enabling legislation ensures growing trade with our biggest trading partner and the world's second biggest economy. Tapping into growing middle-class markets from India to Asia will be a vital enabler of growth and new
jobs beyond the mining boom. Those middle-class markets are projected to grow from 500 million people today to 1.7 billion people in the next 15 years. That is why free trade deals with South Korea, Japan, China, and the Trans-Pacific Partnership countries are a key component of our microeconomic reform agenda and efforts to diversify Australia's economy.

Just as the Howard government left a strong legacy of no debt and money in the bank, which enhanced our economic freedom of action, these free trade deals put us in the best possible position to take advantage of looming opportunities. But it is equally apparent that few if any other nations have afforded Australia economic opportunities like those provided by China. After all, it was trade demand from China, both before and during the global financial crisis, which helped support our economic stability—allowing us to remain in the relatively tranquil eye of the economic storm during this unprecedented economic event. In short, Australia weathered this storm because of economic prudence and the deliberate building up of a surplus in good times—a bounty which was buttressed by the sale of our natural resources to China. But this new agreement with China goes further still. It signals a maturing of the valued relationship that exists between Australia and China.

This trade agreement will prove to be a significant business multiplier—not only growing existing business links but also spawning new shoots of commercial activity. There can be only one outcome from such growth, and that is buoyant and far-reaching business confidence. I call it the 'Pacific ripple effect': the unfolding of a growing trade tsunami between Australia and China which will, over time, advantage every part of the Australian economy.

The story can be told much more compellingly in numbers rather than in words. Preferred access status to a market of 1.5 billion people is, for a nation like Australia with approximately 24 million people, an opportunity that is all but unheard of, especially in modern times. Indeed, 85 per cent of our goods entering China will do so tariff-free, and at full implementation 95 per cent of our goods will enter China tariff free. Especially for our farmers, this will be like manna from heaven. Consider Reid Fruits in Tasmania as a compelling example. Their cherry exports have risen from five tonnes in 2014 to 185 tonnes in 2015, thanks to our free trade export agreements.

I note particularly that tariffs will be abolished for Australia's $13 billion dairy industry—great news for Tasmania, where dairy production is increasing, but also for beef and sheep exporters, who will gain from the abolition of tariffs in the order of 12 to 25 per cent. Additionally, 30 per cent tariffs on Australian horticulture will be entirely eliminated. And the future anticipated gains to sectors like resources and energy, and manufactured exports, are anticipated to be of similar magnitudes over time. This opportunity beckons now and deserves to be more widely acknowledged and celebrated in every part of Australia, if only because the bountiful returns of Minister Robb's efforts will fall so uniformly across our nation. For my home state of Tasmania, which has an enviable and growing reputation for clean, green, fresh, quality produce, these trade deals will be most beneficial. All of these statistics reinforce my view that we should really be seeing the 21st century not just as the Asian century but as the Asia engagement century. The House will no doubt be familiar with the Chinese proverb 'let a thousand flowers bloom' and, while I do not wish to overblow the simile, there is a compelling parallel to be drawn with respect to the flourishing of new business opportunities in our region.
I have acknowledged the brilliant work of Trade Minister Andrew Robb, in securing this high water mark trade agreement on behalf of all Australians. But I also take the opportunity to recognise the dedicated work undertaken by so many officials—Australian and Chinese alike—to realise this opportunity. Their efforts have helped Minister Robb bring off the largest deal of its type that China has undertaken with any developed nation. It will support innumerable economic, social and cultural benefits for both countries. Foremost among these will be its anticipated critical contribution to regional strategic security. Free trade is one of the strongest contributors to regional and global peace and stability; indeed, reciprocal barter, exchange and interaction all work as constructive agents to dissolve and dispel fear, misunderstanding and xenophobia, which are the basis of much international armed conflict and aggression.

I would hazard saying that Australians and Chinese want essentially the same things in, and from, life—a better and brighter future for current and future generations. This agreement reflects and reinforces that laudable objective. Regrettably, the other side of the House have been overly cautious about seizing this rare gift. They have been afflicted by a combination of myopia, as well as a desire to strive for the perfect outcome. As the member for Rankin quite appropriately illuminated, the perfect can often be the enemy of the possible. But what is worse is the appalling campaign against the China free trade deal by some militant unions like the CFMEU and the ETU. The fact is that the deal secured by Minister Robb is as good as it gets for both sides—China and Australia. This is a reality that has been publicly recognised by Labor luminaries of substance and foresight. The list includes former Labor prime ministers, some current and former and senior federal ministers and state premiers. I note the announcement earlier today that Labor has now decided to support this free trade deal. That is a welcome outbreak of common sense and I congratulate members opposite on ensuring that the collective wisdom of their caucus has landed where it has.

The bottom line is surely this: trade deals of this type and constructive interdependence do not get any better, and their coaxing to fruition occurs perhaps only once in a generation. This is particularly the case with a potential trade partner like China, which has shown itself over millennia to be a shy and reticent giant. Yes, it can be coaxed from its natural introspection and caution, but this is not easily done and perhaps is more easily undone. I welcome Labor getting on board so that the train of international trade opportunity can depart the station—with the clear destination being a better and brighter future for all of us and future generations.

I acknowledge the wisdom of the member for Rankin and his knowledge of history in saying that Australia's engagement with China commenced with the Whitlam government, and it did, with the establishment of formal diplomatic relations in late 1973. Now, just over four decades on, this trade agreement significantly reinforces our existing ties and optimises our relationship. In the process, it establishes the conditions for greater mutual wealth and enhanced understanding between us. The latter—understanding—is the true basis of reciprocal respect between our great nations, and will be the principal commodity, as opposed to what we grow or mine, which will sustain and nurture our joint trade partnership.

I will not use all of my time; I know an extraordinary number of my colleagues want to make a contribution. Let me conclude on this: this trade agreement is good for all Australians.
on three counts. It will improve Australia economically, it will act to support regional stability and security and it provides a firm basis for even greater renewal of our existing links and engagement with a true global giant. I commend the bill to the House.

Mr BRENDAN O'CONNOR (Gorton) (13:06): I rise to support the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015, and I do so for two reasons. One reason is that the amendments to the China-Australia Free Trade Agreement sought by the opposition and conceded by the government have made this a better arrangement—not a perfect one by any means; there are still many deficiencies. But I support it because the government made concessions on some very significant issues that protect the interests of workers in this country—safeguards for employment conditions and security of employment—and that is something that would not have happened without Labor standing up in defence of Australian workers. That is one of the reasons I support the bill.

The other reason I support this bill is that the Leader of the Opposition has foreshadowed attending to other matters that are not specifically related to the China free trade agreement but incidental to it, in so far as they go to the exploitation of workers, both foreign and domestic, in our labour market. The fact is that we have seen some awful, scandalous forms of exploitation in this country that we need to address, with the growing number of temporary visas being issued by the government. Some argue that there are 800,000; others would say there are actually a million temporary workers in this country. It is absolutely vital that sufficient powers and resources are deployed to respond to this existing problem. If elected, Labor will attend to those matters, because we know the government's heart is not in dealing with such regulations.

I think it is always important to remember history, in life as in politics, particularly recent history, because the trade minister, in defence of this agreement when it came to labour mobility, invoked the safeguards in the 457 visa legislation—the labour market testing that is currently in place. I draw the attention of the House to the contributions by the former shadow immigration minister and current Treasurer to the debate in June 2013 in relation to introducing labour market testing in this country. Let us be very, very clear here about the government's views on labour market testing, because they are on the record and they have never been repudiated by this government.

During the last term of the previous Labor government, in the last week of the parliament, in the last piece of legislation in fact enacted by the parliament, we sought to bring in some safeguards for workers in this country and we were attacked by the then opposition—by the then shadow minister for immigration and indeed every member of the then opposition that now sits on the government benches—because we introduced legislation that went to labour market testing. Indeed, it is that same piece of legislation that the minister for trade has been using as a defence for the safeguards that are in place now. Why should we not question the sincerity of the government when they relentlessly attacked Labor's intentions to bring in safeguards for the Australian workforce and for those overseas workers who are exploited.

So I do not believe the Australian government's heart has ever been in defending Australian working conditions, in ensuring quality jobs or in defending exploited overseas workers. And you see it today. In fact, they have watered down the regulations of that legislation in relation to the indexing of wages under the 457 visa, something they refused to accede to in the negotiations that occurred between the trade minister and the shadow minister for trade.
Of course it is good that concessions have been made by the government, and they were concessions that should have been made. But they were not made out of the kindness of the government's heart or because the government wanted to accede to the matters put to it by the opposition. I think it is because the government understood that they dropped the ball on this issue. They turned their backs on this matter, or they had little regard or inclination to deal with these matters, when negotiating with the Chinese government, so we had to improve this agreement. And it has been improved as a result, but there is more to be done and, if elected, we will do it.

We will ensure there are greater safeguards for Australian workers in relation to the way in which temporary visas are used. Whether they are 400, 417 or 457 visas, greater attention needs to be paid to the enforceability of the provisions that are in place. There need to be better resources for regulators, including for the Fair Work Ombudsman, which needs to have sufficient capabilities and powers to deploy in a way that prevents unnecessary exploitation in this country. We will attend to those things.

Whilst a great deal of bonhomie has broken out today and everyone is gushing with mutual praise, it is important that exaggerated claims are not made. The Minister for Employment, Senator Cash, is guilty of that. She has claimed that the three free trade agreements—not just this one but also the free trade agreements with Japan and Korea—will create 178,000 jobs by 2035. That figure has been utterly discredited by independent economists, and she has had to retract those assertions she made in the other place, and I would counsel her not to repeat them. That is not to say that there are not benefits; there are. But you should not pretend that something will happen when it may not. You should not unfairly exaggerate or distort the outcomes of signing such an agreement.

The government seems to believe somehow that secret negotiation with another nation, ultimately disclosed to the public over time—including the text, which took six months to write—should have just been waved through by the opposition. Somehow, we were just supposed to sit here and let Andrew Robb negotiate everything in secret, with the text coming out four or five months later, some of which is very ambiguous. We were supposed to just say, 'Magnificent work. It's fantastic for everybody. Everyone's a winner. We'll sign up to this agreement.' The opposition refused to do that. We refused to do that because we wanted to look after the constituency that was neglected in those negotiations, namely 11 million Australian workers who are concerned about their jobs, concerned about security of employment and concerned about where the jobs of the future are going to be.

Whilst we accept absolutely that there are jobs now and jobs in the future to be created as a result of our ongoing relationship with China, it is not fair to say that proper attention had been paid to these matters. They had not been properly attended to and we have had to insist that they were attended to, and in some part they have been. But just be very careful of the imaginary job figure that the Minister for Employment, Senator Cash, continues to cite, because it is contrary to all independent advice. This agreement is better as a result of the opposition's intervention and the acceding by the government to those provisions. But it is important that when we sign up to bilateral agreements or, for that matter, multilateral agreements with other countries, we do not take at face value the government's assertions—and that is whether it is a Labor government or a conservative government—that it is a good agreement.
It is absolutely proper that the parliament examine the benefits or otherwise of such agreements. That is why we have a standing committee that is supposed to report to the parliament on such agreements. We almost had a situation this week where this debate was going to start before the Joint Standing Committee on Treaties was to report on the agreement—which would have been unconventional, to say the very least. The supremacy of this parliament must remain when we are dealing with such matters. The parliament has every right to examine these agreements and, to that extent, it is another achievement of the outcome from today. The parliament has had an involvement in this agreement, and I would have to say that it is better than agreements in the past. This is because of the leadership shown by Labor, the Leader of the Opposition, the advocacy of the shadow minister for trade, Senator Wong and, indeed, the Labor team in standing up for workers in this country.

We support this bill. We have always believed in the benefits from the relationship between the two countries—China and Australia. We have never needed to be given any lectures by those opposite on the importance of China. As the Leader of the Opposition has said, it was a Labor leader in opposition and, ultimately, in government that recognised modern China. We started diplomatic ties with that country. All the work undertaken during the Hawke-Keating and Rudd-Gillard years shows our complete focus on the need to engage fully with our own region and on the benefits from it culturally and economically and, of course, in other ways. I think that can happen. But it was absolutely right and vital that we stood our ground and advocated for many people who I do not believe were to be winners of this agreement if it had been passed without amendment. I think the concessions made by government are indeed improvements. But there is another issue beyond the trade agreement, and I think that it is incidental insofar as public policy goes, and that is dealing with job security and with the abuse, the exploitation, that does occur to overseas workers and domestic workers and the need to make sure that we have proper capacity as a federal government to deploy powers and resources in order to prevent such exploitation from occurring in the future. We make no apology for standing up for Australian workers. That is what the Labor Party always does and always will do. As a result of that, we have a better agreement, and I support the bill.

Mrs McNAMARA (Dobell) (13:19): I rise today to support the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015 and related bill. I do acknowledge those opposite for working with the government in supporting the legislative framework of this agreement. This bill mends the Customs Act 1901 to implement new rules for imports into Australia from China. These imports must comply with the rules of origin guidelines set out in the agreement, and, where they do comply, preferential rates of customs duty will be applied.

I also acknowledge the outstanding work undertaken by the Minister for Trade and Investment, the Hon. Andrew Robb. Last June, Minister Robb announced this agreement, following lengthy negotiations with Chinese government officials. Minister Robb is to be commended on his achievements. The minister has not only opened the door for Australian businesses to enter the Chinese market but also opened unprecedented employment opportunities across Australia in those businesses which take advantage of the agreement. As businesses experience an increase in activity, the need for more employees will eventuate. In my electorate of Dobell, there are a number of businesses ready to take advantage of this
agreement. With over 4,000 registered unemployed people as of June this year, I look forward to the employment opportunities eventuating.

In a historic day for Australia, the China-Australia Free Trade Agreement was signed on 17 June 2015. This free trade agreement enables Australian access to the world’s fastest growing economy. More than simply being able to enter this economy, Australian business through the work of this agreement will hold preferential access. The Chinese economy is transitioning from a dependence on spending on infrastructure and exports to a service based economy. For Australian firms to be given preferential access into this economy is an achievement that cannot be understated. This agreement will bring enormous economic opportunity to our country and to each and every community. On this side of the House, we take seriously the need to grow our economy and provide jobs for all Australians.

As the member for Dobell, I am familiar with union campaigns. Whilst Dobell residents are familiar with the HSU and the misappropriation of members’ fees, it appears the ACTU did not learn from this and embarked on a $30 million campaign funded by hardworking union members to spread lies and scaremongering. If the ACTU were genuinely concerned about job creation and opportunities for workers, wouldn't the $30 million have been better spent on employment and job creation programs?

In regard to ChAFTA, the truth is that this free trade agreement will create tens of thousands of jobs for Australians, add billions to our economy and improve our living standards.

Mr Conroy interjecting—

Mrs McNAMARA: Sadly, none of this really matters to the unions, and none of this really matters to the member for Charlton either. This campaign has placed the entire China-Australia Free Trade Agreement at risk. The ACTU and, in particular, the CFMEU have deliberately embarked on deceptive behaviour for their own political benefit. In doing so, they have risked damaging Australia's relationship with our largest trading partner. To emphasise this: the two-way trade between Australia and China is valued at $150 billion annually. The economic benefits of this agreement do not appear to be the focus of the unions’ campaign. Rather, they purport false claims of weakening skilled migration conditions.

The fact is that no legislative measure other than the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill of 2015 is required. In discussion with those opposite, the confusion around the 457 visa program will be clarified with the requirement that companies now seeking to sponsor skilled workers on 457 visas under work agreements demonstrate their recent and genuine efforts to recruit local Australian workers first. In continuing to ensure that this agreement is in the best interests of Australia, those holding 457 visas who wish to work in certain sectors will need to obtain licences, registrations or memberships required under state, territory or Commonwealth law.

The dishonest scare campaign run by the unions comes unstuck and is proven to be purely political when we examine the difference between this free trade agreement and previous agreements. The labour market testing regime which was introduced by the previous Labor government already exempts a number of categories. The Department of Immigration and Border Protection guidelines ensure labour market testing for those categories which are not exempt. Safeguards in the labour market testing outline that employers must demonstrate Australians have been afforded first priority for jobs.
As I have mentioned, the free trade agreement between China and Australia is about creating new jobs for Australians and stimulating economic growth. Let us look at New Zealand's success with their FTA with China. New Zealand Prime Minister Key said:

I'm a massive proponent of free trade, and the benefits of our FTA have been 11 times greater than the most optimistic estimates.

He went on to say:

The numbers speak for themselves. Having negotiated an agreement that is high quality, you'd like to grab it with both hands. New Zealand will be quite happy if you don't.

International envy from New Zealand, which has enjoyed great economic success following its free trade agreement with China, is an excellent tick of approval to Minister Robb and a sign of the benefits to come. The benefits of this and other free trade agreement reach right across Australia. Naturally, the state and territory governments have been consulted in the discussions.

The Chinese market of more than 1.35 billion customers, with an increasing middle class, will be opened to Australian businesses. The Asian region—our direct neighbours—is full of opportunities for Australian business. This agreement will work in conjunction with free trade agreements already in place with Japan and Korea to ensure Australian goods and services are available to an expanding Asian market. The good economic news continues with the realisation that, if this agreement is up and running by the end of this year, a great number of sectors will benefit from a double whammy of tariff cuts—one in this year and again in January 2016.

In stark contrast, failing to ratify this agreement would deliver a heavy blow to the Australian economy. The National Farmers' Federation indicate that delaying this agreement would cost the Australian agricultural sector $300 million in 2016, with any number of negative flow-on effects to rural and regional communities. There would also be costs of $100 million to the red meat industry, up to $60 million to the dairy industry, $50 million to the wine industry and more than $43 million to the grain industry. The Financial Services Council has indicated that, if this free trade agreement were not to proceed, that would cost our economy more than $4 billion and almost 10,000 jobs in financial services alone by 2030.

As I reflected earlier, this campaign of dishonesty orchestrated by the unions, unfortunately, is in line with their usual practice of misinformation. An example of their latest antics is their campaign inviting government member to attend union prearranged ChAFTA debates. Like many members on this side, I relish the opportunity to correct the union lies being thrown around in my community. However, when the union invite me to an event, distribute brochures with my face and name all over it, and do not check my availability, seriously, how is that a fair and open debate and opportunity to refute their lies? This campaign against government members will now be somewhat redundant, given Labor's announcement in support of ChAFTA. How hypocritical: the unions want to debate their lies in an electorate scarred by the misuse of HSU members' money! Perhaps members would be better served through the organisers debating the proper use of union credit cards. If they are so concerned about overseas labour, then perhaps they should bring themselves up to speed on the recent activities of the previous member for Dobell in regard to 457 visas.

We all know too well how the union movement love to spread lies and disregard facts. We have all heard the lies regarding this free trade agreement—lies of scaremongering,
particularly targeting our outstanding tradies. The most pathetic lie that I have heard to date from the unions would have to be that the China FTA will be bad for local jobs. To all the tradies who have been misinformed by the ACTU and their Central Coast union affiliates: tradies will not be replaced by Chinese labour. In fact, jobs will be created for Australian tradies. For Dobell businesses looking at expansion and growth into the Chinese market, such as SpotGo at Jilliby: growth leads to new jobs being created. In fact, it is anticipated that ChAFTA will result in tens of thousands of new jobs being created right across Australia. This free trade agreement does not change the required skill levels for Chinese visa applicants. It will not impact on workplace safety.

That it is bad for local communities is another claim made by the ACTU. This trade deal will create tens of thousands of jobs, add billions of dollars to our economy and improve living standards. The ACTU also claim this trade deal will undercut local rates of pay. Australian workers will continue to be given first opportunity for new jobs. As is currently the case, employers will not be allowed to bring in foreign workers unless clear evidence of need is established. The duplicitous campaign waged against this agreement is emphasised in the ACTU claim that this free trade agreement will exploit overseas workers. There will be no change to the Migration Act, and this free trade agreement will not allow Australian employment laws or conditions to be undermined. I do welcome those opposite working with the government in strengthening safeguards in regard to ChAFTA and working together towards ratification of this agreement. I commend this bill to the House.

The DEPUTY SPEAKER (Mr Irons): Order! The debate is interrupted in accordance with standing order 43. The debate may be resumed at a later hour.

STATEMENTS BY MEMBERS

Broadband

Ms BRODTMANN (Canberra) (13:30): I have a lot of very angry constituents—I have thousands of very angry constituents who were let down by this Liberal government last week when it released the latest three-year rollout plan for the National Broadband Network. Despite the fact that a number of suburbs in my electorate have the poorest broadband internet rating in the country, they were completely left off the rollout map. Suburbs like Monash and Theodore, which have the lowest rating in the country for both availability and quality of broadband, were left off the rollout map. There is just one big, blank space. That means that these Canberrans will not have access to the NBN for at least three years. The lack of internet access is impeding their ability to maximise opportunities and realise their full potential in small business, in education and in civil society. They have again been let down by this Liberal government.

Under Labor, every home in the ACT would have had access to a world-class fibre-to-the-premises version of the NBN. The Prime Minister promised that his second-rate NBN would be built for $29.5 billion—that cost has almost doubled to $56 billion. He promised that his second-rate NBN would be rolled out to all homes and businesses by the end of 2016—now that has more than doubled to seven years. The NBN is just another broken promise from a Liberal government that has no vision for this country. Canberra, sign my petition. Let this Liberal government know: we want our NBN and we want it now. (Time expired)
Gilmore Electorate: Waminda

Mrs SUDMALIS (Gilmore) (13:31): I have a group called Waminda in the Shoalhaven. They run an iconic program called Dead or Deadly, which could be significantly reduced if we cannot find funds for them. Faye Warner has been working with Aunty Wendy Brown, a Wreck Bay elder, Aunty Gail Wallace, a Nowra elder, Aunty Alison Aldridge, also a Nowra elder, Michelle Jones, Lyn Larkins and Carol Thomas. They have all been working so hard and they look after our Indigenous community from Kiama right down to Ulladulla. Aunty Belle received a posthumous award for reconciliation through Waminda. They have won regional Aboriginal organisation of the year. Aunty Gail Wallace started circle sentencing in Nowra. Hayley Longbottom was voted as a regional NAIDOC worker of the year. She and Cleone were keynote speakers at the National Indigenous Women's Conference in Darwin this year. Krissy Falzon has been a keynote speaker. Their achievements go on and on. This year they are getting ready to be the lead agency for the Women's Wellness Festival in the Shoalhaven, where the theme is domestic violence prevention.

I cannot lobby hard enough for help for them to continue their work. They are looking after Indigenous women who have chronic disease, have a risk of chronic disease and are morbidly obese. Angie, who has been doing training to become a personal trainer, is one of the few Indigenous trainers in Australia. She is thinking about giving up. We have to allow these funds to continue. We are lobbying to keep the Dead or Deadly funding because this uncertainty could end up leaving them not just with Dead or Deadly as a program but dead in the water. (Time expired)

Asylum Seekers

Ms BURKE (Chisholm) (13:33): Right now in my electorate a 19-year-old boy who I will call Ali, though that is not his real name, is preparing for his VCE exams at Salesian College in Chadstone. Just a few minutes ago, he delivered the valedictory speech in front of his entire school. These things alone would rack any teenage boy with anxiety, particularly one who, four years ago, did not speak a word of English, but this is not Ali's biggest fear. His biggest fear is being sent back to Afghanistan, having fled that country after suffering a persecution that still leaves him racked with nightmares. He travelled to Australia on his own as a 15-year-old and, since that time, has had no contact with any of his family. The Australian government has already told Ali once that it plans to return him to Afghanistan and he is currently appealing that decision. I do not intend to go over those details as I do not want to jeopardise those appeals.

I have met Ali and the school community, and I thank Salesian College and the broader community for the support they have given to him. I have written to the minister to plead Ali's case and demonstrate why this amazing young man should be able to remain in Australia. Ali is a young man who, despite having gone through horrors most of us cannot imagine, escaped a great peril and has now developed into a teenager most of us would be proud to call our own. He is a credit to his community, both at school and more broadly. Even the Victorian police have credited him for the wonderful work he has done in his community. Ali, as I said, has not had any contact with his parents and could not possibly be reunited with them if he goes back to Afghanistan. Indeed, he is at serious risk if he is returned. Ali wants to go to university to study psychology and continue to give back to the community he calls home. (Time expired)
Deakin Electorate: Centre for Regional Knowledge and Innovation

Mr SUKKAR (Deakin) (13:34): It is wonderful to be able to highlight the forthcoming opening of the Centre for Regional Knowledge and Innovation at Ringwood, which has been completed as part of the $665 million redevelopment of the Eastland Shopping Centre. The centre, named Realm, will create 10,000 direct and 16,000 indirect jobs and generate hundreds of millions of dollars worth of productivity for local businesses, including in the manufacturing industry. Located at the Ringwood Town Square, it has been completed in conjunction with the Maroondah City Council and includes state-of-the-art facilities, with key features including a new library; a comprehensive customer service centre combined with regional information services; a designated art gallery combined with exhibition spaces throughout the centre; flexible learning spaces for use by various community groups, universities and other organisations; a cafe; and an interactive local history display. Importantly, it will also provide education and skills training, business development and job opportunities for local residents and business.

As part of this year's budget, I was really thrilled to be able to secure $3 million of funding to ensure the completion of this centre to a very high standard. I am very proud of the way that it will be a key civic space for people not only in the Deakin electorate but throughout the eastern suburbs of Melbourne.

United Nations Day

Ms PARKE (Fremantle) (13:36): This evening I will attend a flag raising ceremony at Old Parliament House to celebrate United Nations Day and the 70th anniversary of the establishment of the UN. United Nations Day is celebrated each year on 24 October. The UN website notes:

UN Day marks the anniversary of the entry into force in 1945 of the UN Charter. With the ratification of this founding document by the majority of its signatories, including the five permanent members of the Security Council, the United Nations officially came into being.

… In 1971, the United Nations General Assembly recommended that the day be observed by Member States as a public holiday.

Unfortunately, Australia is yet to adopt UN day as a public holiday, but I certainly think the idea has merit and that it could replace other, perhaps redundant, public holidays in each state and territory. I also support the notion of Australian schools celebrating UN day as a way to discuss the importance of universal human rights and the work the UN does in so many different fields around the world.

While the media tends to portray the UN in terms of its UN Security Council and peacekeeping 'blue helmet' role, where the focus is on conflict, member states in fact, for the most part, cooperate for the global good. How else could you explain the international postal system, international shipping, international civil aviation, the World Health Organisation, UNESCO's role in declaring and protecting World Heritage, and the innumerable multilateral treaties establishing international human rights and environmental standards? I am proud to have been a staff member of the United Nations for eight years, and I express my best wishes for a happy 70th birthday.
Motor Neurone Disease

Mr ALEXANDER (Bennelong) (13:37): Last year I lost a close friend to motor neurone disease—one Brad Drewett, a brilliant man and a loving husband and father—at the peak of his life. To suffer motor neurone disease is the cruellest fate. There are approximately 1,900 Australians with MND, with an estimated life expectancy of only 27 months. Those 27 months will see a steady disintegration of their muscles until they can no longer eat, breathe, or talk to their loved ones.

To do my small bit for those courageous people, from this Saturday I will be heading out on a walk of 100 kilometres around Bennelong to raise money and awareness for motor neurone disease. I will be stopping in at schools, aged-care centres, charities and shops as well as walking down hundreds of suburban streets and encouraging anyone who can to walk along with me. That includes everyone in this chamber, who I encourage to join me for an hour or two as I pound the pavements of Bennelong. My local community has already risen to the challenge. To be particularly commended is Epping Public School, which has decided to hold a mufti day on the day of my visit, with all proceeds going to MND. With generous efforts like this, I am confident we can raise considerable sums to fight against this cruel disease.

Climate Change

Mr WILKIE (Denison) (13:39): As much as some people in this House might deny it, climate change is one of the most serious issues facing the world today, and if we do not act now it will soon be too late. The countries that will be hardest hit by climate change often cannot adapt without help, because of their economic, social and political disadvantages. I am talking about countries like Kiribati here in the South Pacific, where rising sea levels will devastate communities, and countries like Bangladesh, which are susceptible to extreme weather events. Of course, rich countries like Australia have a duty to help these countries, and it is climate finance in particular that would help disadvantaged countries reduce emissions and adapt to the effects of the change. Moreover, investing in climate finance improves our reputation as a global citizen and strengthens our diplomatic, security, economic and social relationships with countries in our region.

Despite all this, the government currently makes only a small contribution to climate financing activities. That is why Oaktree and the Australian Youth Climate Coalition are asking for a commitment from the government of $400 million per year for such finance. I reckon not only that this is affordable but also that it will undoubtedly yield very positive results both for the countries in our region and for us at home.

McHappy Day

Mr VAN MANEN (Forde) (13:40): I would like to take this opportunity to thank our local community for getting behind a number of recent charitable events. On Saturday, McHappy Day was celebrated in a number of McDonald's stores around my electorate, including Upper Coomera, Ormeau, Beenleigh, Holmview, Marsden, Park Ridge, Loganlea and Loganholme—all taking part in this fantastic fundraising activity. It is now the 25th year that McHappy Day has filled our calendars. It is a day filled with family fun, entertainment and community spirit. But, most importantly, it shows the terrific charitable efforts of our local community.
McHappy Day raises funds for Ronald McDonald House, which provides accommodation and programs for families with seriously ill children. Over the past 30 years the charity has helped more than 120,000 families through its various programs, including many families from regional communities who need to travel to capital cities for medical treatment. I would like to thank our local community for their generous support, as well as the volunteers and of course the McDonald's staff in the various stores who took a great deal of time and pleasure in dressing up in various costumes and having a tremendous day in the process.

Muslim Community Radio

Mr HAYES (Fowler—Chief Opposition Whip) (13:42): Today I would like to congratulate Muslim Community Radio 2MFM on receiving the SBS People's Choice Award for its campaign Together Standing Against Extremism and Racism. 2MFM is a multicultural and multilingual radio station that broadcasts into Sydney. Its campaign Together Standing Against Extremism and Racism, which started last year, makes an extraordinary contribution, one that aims to raise awareness, educate and provide information to the wider community on combating extremism and racism in our community.

Particularly at a time when we are facing significant challenges, Muslim Community Radio is promoting unity, harmony and social inclusion while reminding us all of the importance of respecting each other's cultural heritage. We are a tolerant, multicultural society, where generations have come to make Australia home. But we do that on the basis of our values of respecting people regardless of where they come from and regardless of their religion and engaging in a way that promotes harmony and inclusion, which benefits the whole of our community in our diversity. I would like to congratulate the President of 2MFM, Rafic Hussein, and Faten El Dana, the migrant women's ambassador who also hosts Muslim Community Radio, for their significant contribution to our community.

Australian Search Dog Framework

Mr TEHAN (Wannon) (13:43): I rise to inform the House of a commitment made and a commitment fulfilled by this government today. Out on Federation Mall this morning the Minister for Justice and I announced the important commitment that the coalition government made in 2012 to develop the Australian Search Dog Framework. Luke and Tracy Edwards, who are constituents in my electorate of Wannon, were instrumental in raising awareness of this issue. In May 2012 Luke and Tracy submitted a policy proposal noting the value of skilled volunteer dog teams assisting with emergency management response outcomes. Later that year Luke, Tracy and their dogs walked 1,000 kilometres over 62 days from Port Campbell, Victoria, to Canberra from Port Campbell, Victoria, to further raise awareness of this issue.

I was fortunate enough to join them on the final leg of their journey to Parliament House. The walk was an impressive feat—and, I understand, a bit tougher on the Edwards's than on their dogs! I commend the work of the search dogs organisations in building relationships and working together for harmonisation within the Australian search dog community and in getting this framework set up and established. In particular, I commend Luke and Tracy for their efforts in helping to see this policy become a reality—a long walk now over.

George Warfe Elementary School, Papua New Guinea

Mr FEENEY (Batman) (13:45): Kamiatum in Papua New Guinea is a small village that during the Second World War was just inland from the Japanese coastal base of Salamaua. In
March 1943, the Imperial Japanese Navy occupied the townships of Lae and Salamaua. The campaign to retake this region occupied 10½ Australian and US infantry battalions, three Australian independent companies and lasted until September that year. Last week, Kamiatum honoured one of those stalwart Australians, officially naming their local school the George Warfe Elementary School.

Born in Victoria, George Warfe was a major at the time of the Wau-Salamaua campaign, commanding the 2/3 Independent Company. George Warfe demonstrated outstanding leadership during the campaign and was awarded the Military Cross. Later, he would also be awarded the Distinguished Service Order. The George Warfe Elementary School in Kamiatum is a lasting memorial to the strong emotional ties that connect Australia and Papua New Guinea, ties that will continue to bind us as the next generation learns about our shared past and shared aspirations for the future of our region.

**Barton Electorate: NSW Grandparents Day**

**Mr VARVARIS** (Barton) (13:46): This Saturday is the 2015 NSW Grandparents Day. This is a wonderful initiative by the state of New South Wales which encourages each and every one of us to recognise and celebrate the vital role grandparents have in society. More broadly, this Saturday is about cherishing the irreplaceable role grandparents have in our families and within the wider community. I know from experience how vital grandfathers and grandmothers are in our families and society, wherever they may live.

My wife and I can both attest to the enormous help both our parents provide to help with my young family, given our busy schedules. Both our parents nurture and care for John and Renee, and impart their wisdom when helping them learn essential life skills. I acknowledge how blessed we are as a family to have both our sets of parents close by and I know how much this means to my children.

So I look forward to this Saturday to celebrate the vital role all grandparents play. As part of the celebrations, I will be heading to my local St Cuthbert's Anglican Church at South Carlton. I look forward to meeting other families and their children, showing their completed Grandparents Day projects. The members of St Cuthbert's kitchen will be putting on a delicious sausage sizzle to mark the occasion. I give credit to the great state of New South Wales for this fantastic day.

**National Week of Deaf People**

**Ms OWENS** (Parramatta) (13:47):

*Ms Owens simultaneously delivered her speech in Australian Sign Language—*

I was pleased to celebrate National Week of Deaf People recently on Saturday in Parramatta at the deaf festival. This year's theme is 'With sign language rights, our children can!' This theme highlights the importance of deaf children needing to start to learn visual language at the same time hearing children start to learn verbal language. It was wonderful to see many families and friends celebrate the deaf community's strengths there at the deaf festival. We had a sudden surprise flash mob in Auslan. I joined in. I was not that good.

To Deaf Australia New South Wales and the Deaf Society of NSW, thanks for inviting me to join you at the deaf festival. It was a pleasure and, last but not least, thanks, Kate.
The DEPUTY SPEAKER (Mr Irons): I thank the member for Parramatta and congratulate her for fitting two speeches into one.

Bonner Electorate: Broadband

Mr VASTA (Bonner) (13:49): Today, I rise to speak yet again on broadband internet in my electorate of Bonner. I am extremely pleased to have much better news for my constituents following the NBN's release of its new three-year rollout plan. After years of frustration under Labor's slow, expensive and flawed plan, today I am proud to announce that over 59,500 homes and businesses in Bonner will soon have access to superfast broadband. That means within three years, 80 per cent of the homes and businesses in the Bonner community will be NBN ready.

Next year, construction will begin at over 22,000 premises in Mount Gravatt, Mount Gravatt East, Upper Mount Gravatt, Holland Park, Holland Park West, Mansfield, Wishart and Macgregor. These suburbs will be connected to the NBN via HFC. The rest of my electorate will be connected either via HFC or fibre-to-the-node technology—a decade sooner than they would have under Labor's plan.

Again, I would like to thank the former communications minister, the Prime Minister, for his outstanding work in reining in the costs of the NBN. Thanks to him, Australians will receive fast internet years sooner. I would also like to thank the current communications minister, Senator Mitch Fifield, for continuing this good work and ensuring that every home and business in Australia will have access to superfast broadband by 2010.

Newcastle Electorate: Meet the Mob Interviews

Ms CLAYDON (Newcastle) (13:50): Last week, Meet the Mob celebrated its 100th interview in a live broadcast on 1233 ABC Newcastle from the Wollotuka Institute at the University of Newcastle. In the words of its creator, 1233 Mornings' presenter Jill Emberson, Meet the Mob is:

... an original record of a thriving Aboriginal and Torres Strait Island community making its way in an urban setting better known for its natural resources than its Indigenous peoples.

The series started in 2012, following an intriguing interview with Sean Gordon of Darkinjung Land Council, when we learned that the Darkinjung was in fact the biggest private land developer on the Central Coast. Presenter Jill was unaware of this status and so was the 1233 audience. With surely many more stories to be shared, Jill started her out-of-studio series of interviews and Meet the Mob was born.

Three years on, we have heard from Indigenous land council CEOs, authors, students, surf life-savers, academics, artists, publicans, surgeons, dancers and musicians. Newcastle's Indigenous culture is diverse and rich. I congratulate Jill and the 1233 ABC team for facilitating and sharing this wonderful series of interviews in a way that only a strong, locally-embedded public broadcaster can.

And finally, I want to pay tribute to the 100 Aboriginal men and women who have shared their personal stories with us all. It is an extraordinarily generous gift to our community, which enriches our lived experience of Newcastle and, indeed, the nation. And for that we remain forever thankful.
Broadband

Mr BILLSON (Dunkley) (13:52): There is great news for the people of Dunkley: NBN will be available to all of our premises by the end of 2017. That is such exciting news, because under the Labor rollout it would have taken a decade longer and tens of billions of dollars more. The recently announced rollout strategy sees our community's desperate need to get access to this technology and it will be able to be serviced by the end of 2017.

A few things have changed. Many people might not realise that taxpayers funded those thick black cables that carry pay TV and that they were going to be buried in the tip. What is the point of that? The new approach of nbn co to use the most appropriate and available technology will see that pay-TV infrastructure enhanced with some Swiss software to become the backbone of NBN service delivery to large parts of my electorate, particularly in the city of Frankston.

What is also good news is that nbn co have realised that there is little point overbuilding areas where there is already existing infrastructure while other parts of our community are crying out for broadband at a speed that can support their business, education and use of this technology. Mornington, the great community where I live, is groaning under the growth pressures of people wanting to be a part of our great community. Its rollout has been accelerated as well.

I also want to thank Telstra. They have engaged constructively around the Seabrook Way and Manor Drive area. The NBN is some time off. There is a business case for Telstra to invest. They look like they are going to do so. It is a network of networks and a big win for Dunkley. (Time expired)

Kingsford Smith Electorate: International Students Beach Soccer Tournament

Mr THISTLETHWAITE (Kingsford Smith) (13:53): On 27 September I was pleased to attend the New South Wales Police's international beach soccer tournament on Coogee Beach in the Kingsford Smith electorate. Hosted by the Eastern Beaches local area command, the tournament saw students from Brazil, Chile, China, Colombia, Malaysia, South Korea, Vietnam, Japan, India, Africa, Europe and the Middle East who are studying at schools, TAFEs, English-language colleges and universities in New South Wales take on the police in a celebration of multiculturalism and the world game.

The event, which also featured a number of cultural and police displays, as well as a selection of international food stalls and live entertainment, was a terrific way for the police to engage with international students and to make them feel welcome in the community while building greater trust in law enforcement. Now in its third year, the tournament has grown in popularity to include more than 37 countries. It is one of the largest beach soccer tournaments in the country. It is also a positive and fun way to break down barriers and celebrate Australian multiculturalism.

I wish to thank and congratulate the police and the staff of the Eastern Beaches local area command—particularly our wonderful local area commander, Detective Superintendent Gavin Dengate, who put in place a number of important social engagement policies and programs. It was wonderful to be able to join the police and members of our community on the day for this great celebration of multiculturalism. I congratulate Chile on taking out the final.
Campaign for Australian Aid

Mr WILLIAMS (Hindmarsh) (13:55): Last Thursday I had the opportunity to attend the Campaign for Australian Aid local SA action group information evening at the Holdfast Bay Bowls and Croquet Club. Campaign for Australian Aid is a joint initiative of the Make Poverty History and Micah Challenge coalitions. Over the last few months I have met with representatives of both Micah and Voices for Justice and want to acknowledge their commitment and approach to world poverty and foreign aid.

At the forum I touched on the billions of dollars the Australian government provides annually for foreign aid and the work being done by companies such as Coffey and Scope to execute Australian foreign aid funding. Coffey manages the Economic and Public Sector Program for Papua New Guinea on behalf of the Australian government. The program aims to create a more effective and efficient public service sector for Papua New Guinea so that men, women and children can access better services.

Australia is supporting Indonesia's effort to improve maternal and neonatal health services through the Australia Indonesia Partnership for Maternal and Neonatal Health program in order to reduce deaths due to pregnancy complications or poor post-natal care.

It was inspiring to hear of the work of other guest speakers, such as Brad Chilcott, the founder of Welcome to Australia, Dr Amrita Malhi from UniSA and d'Arcy Lunn from the Global Poverty Project. I want to thank Judee Adams of Oxfam for her hard work in organising the forum and the many members of the public who attended and are committed to making the world a better place. On a personal level, my wife and I support organisations such as Compassion and UNICEF and, like many other Australians, donate generously.

Bolton, Professor Geoffrey

Ms MacTIERNAN (Perth) (13:56): A much loved and true public intellectual, Professor Geoffrey Bolton, died last month in Perth at the age of 83. Geoffrey had a special connection with the electorate of Perth being a North Perth boy. His prodigious intellect was first recognised as a boy at North Perth Primary School. One of his many books, *Daphne Street*, was a history of the street in North Perth where he grew up. I never had the pleasure of studying under him at university, but my many friends who did were immense enthusiasts.

Over the years, I benefited from his delivery of many public lectures and from his participation in the public life of Western Australia. Geoffrey was a pioneer in promoting the history of WA, releasing the state from the cultural cringe that undervalued our own history. One of his first books in 1958 was a biography of Alexander Forrest. In 1972 he wrote *A Fine Country to Starve in*, a social history of WA during the Depression which unashamedly revealed a political perspective. He was also an historian of national standing, writing acclaimed biographies of Edmund Barton and Sir Paul Hasluck. He had a pivotal role in establishing Murdoch University and giving it a direction so that it was not just another establishment university. I pass on our deepest condolences to his wife of 57 years, Carol, and to all his family.

Central Coast Chamber of Commerce and Industry Awards

Mr WHITELEY (Braddon—Government Whip) (13:58): Small and medium businesses are the lifeblood of the Australian economy, as we all know. That is no different in the magnificent electorate of Braddon. On Saturday I had the pleasure of attending the Central
Coast Chamber of Commerce and Industry Awards evening, a great night recognising industry leaders. In congratulating the award winners here today, I would like to make special mention of Henry's Ginger Beer. Members probably had a taste of that last Wednesday night. They were judged as the most successful start-up business in the area. Well done, Henry's Ginger Beer.

Joining them were the winners of: the outstanding tourism experience award, Pier 01; the excellence in manufacturing award and the innovation award, VEC Civil Engineering; and the enhancing regional culture award, Tastrofest. Gena Cantwell from Wings Wildlife Park, which is a regular feature of local, state and national awards, won the outstanding customer service award for an individual. The outstanding customer service award for business went to the IGA railway supermarket. Ulverstone Neighbourhood House took out the community service award. The agribusiness award went to Botanical Resources and, finally, Degree C won the business of the year award. Degree C, along with other winners, all deserve the recognition these awards bring. In my role, I have met with most of these businesses. I congratulate the owners, the management and their dedicated employees for the way in which they operate as small and medium businesses in the electorate.

MINISTERIAL ARRANGEMENTS

Mr TURNBULL (Wentworth—Prime Minister) (14:00): I inform the House that the Minister for Immigration and Border Protection will be absent from question time for the remainder of this week. He is attending the Putrajaya International Security Dialogue. The Minister for Justice will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Family Payments

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:00): My question is to the Prime Minister. Today the Liberal government has announced new changes and cuts to family payments. With regard to the Prime Minister's announcement today, just how many families will be better off, compared to the benefits they receive now, and how many families will be worse off?

Mr TURNBULL (Wentworth—Prime Minister) (14:00): I thank the Leader of the Opposition for his question. The government have listened to the community, to the opposition and to crossbenchers, and we recognise, as I think all honourable members do, that our welfare costs are enormous. The social security budget alone is $154 billion a year and the family tax benefit costs around $20 billion a year. So we always seek to balance the need to support families, particularly those in need such as single parents, ensure our system is sustainable and affordable, simplify the welfare system, encourage workforce participation and encourage more holistic support of a child's development, particularly through child care and early learning.

As all the parents here are very well aware, the child is with the parents for a long time, and they need help in different ways right through the child's life. We have reformed the proposal for the family tax benefit B payment so that eligible families will continue to receive it until the child turns 13, as opposed to it cutting out at the age of six. Those changes will benefit around 700,000 families. We recognise that single-parent families and families where a grandparent is a carer have particular challenges when it comes to child care, and that is why
we will continue to provide a supplemental payment of $1,000 a year to those families while a child is aged between 13 and 16.

Ms Macklin: That's less than they currently get.

Mr Turnbull: In addition, all eligible families with a youngest child under one will receive an extra $1,000 a year. Many of those families will be part of the 1.2 million families with around 2.2 million children who will benefit from the increase in the FTB part A rates, including those with children above the age of 13, from 1 July 2018.

Ms Macklin interjecting—

Mr Turnbull: Put together, the range of changes will save the budget $4.8 billion over the forward estimates, and the package will help pay for the $3½ billion Jobs for Families package. As a result of the new childcare package, families with incomes of between $65,000 and $170,000 using childcare services from July 2017 will, on average, be $30 a week better off.

Opposition members interjecting—

Mr Turnbull: I can give one case study. Jodie and Darren have a three-year-old daughter. Darren works full-time and earns $85,000 a year. Jodie works three days a week and earns $51,000. Maddie, the daughter, attends a long-daycare centre on the days Jodie works. Jodie and Darren will be around $43 a fortnight better off—

The Speaker: Does the Leader of the Opposition have a point of order?

Mr Shorten: Mr Speaker, my point of order goes to relevance. My question was in two parts. I asked the Prime Minister to outline what potential winners there were. But I have also asked him who loses out in this package. It is now 2½ minutes into the question with no answer.

The Speaker: The Leader of the Opposition has asked his question and will resume his seat. Prime Minister?

Mr Turnbull: I have concluded my answer.

The Speaker: Just before I call the member for Barton, the member for Jagajaga interjected—

Mr Pyne interjecting—

Mr Morrison interjecting—

The Speaker: The Leader of the House and the Treasurer will cease interjecting. The member for Jagajaga interjected repeatedly through the Prime Minister's answer. I have asked the member for Jagajaga to cease interjecting on every sitting day. I am warning the member for Jagajaga. I will not allow any member to interject continuously without action.

Ms Plibersek interjecting—

The Speaker: The member for Sydney will cease interjecting.

Economy

Mr Varvaris (Barton) (14:04): My question is to the Prime Minister. Will the Prime Minister update the House on key government decisions to build growth opportunities in the world's largest and most dynamic markets to strengthen and secure Australia's financial system and to ensure our social welfare safety net is robust and sustainable?
Mr TURNBULL (Wentworth—Prime Minister) (14:05): I thank the honourable member for his question. This is a great week for jobs, for business and for Australian families. It is a great week for Australia. The legislation to approve the historic free trade agreement with China is afoot in this parliament, and from today it carries bipartisan support. The suite of policy measures recommended by the Murray review to strengthen and secure our financial system, to provide greater choice for Australians planning their retirement, to give consumers a fair deal on issues such as credit card surcharges and a package of family benefit changes that will provide better childcare support for Australian families while delivering fairer outcomes for families most in need is all happening this week.

The business of government is to get things done. Australians expect us, their elected representatives, to deliver practical, common-sense policy that will improve economic security and general wellbeing. They expect that we, the government, will not allow the perfect to be the enemy of the good. If there are blockages, obstacles and dissent in the parliamentary system that we can overcome through sensible negotiation without sacrificing the preponderance of the policy objectives we have in mind, we will engage constructively. And if we can achieve our objectives by reaching agreement with the opposition, the Greens or the crossbenchers, we will do so.

So I say again, as I said earlier, we appreciate the common-sense response of the opposition on the China-Australia Free Trade Agreement. I had earlier, perhaps a little harshly, said that the Leader of the Opposition was just a cork bobbing in the slipstream of the CFMEU. Well, he has struck out; he is swimming, he is paddling himself, and it has been a great day for the parliament. You can see the enthusiasm with which he is embracing this important national objective, because he knows it underpins thousands and thousands of jobs—tariffs on dairy, beef, lamb, wine, horticulture abolished over four to 11 years; nearly all resources, energy and manufacturing tariffs gone in four; from implementation, 95 per cent of Australian exports will enter China duty free. This is an outstanding achievement, and it is above all a great tribute to the work of the Minister for Trade and Investment, Andrew Robb. He has brought this home. These negotiations were begun a long time ago, but the key thing is to close the deal, and Andrew Robb has done that, and it is a great day for the parliament and the nation that we have agreement on this historic deal.

Ms MACKLIN (Jagajaga) (14:08): My question is to the Prime Minister. Is it true that a grandparent carer with a 15-year-old in their care will be about $2½ thousand a year worse off because of the government's proposed changes to family tax benefits?

Mr Hutchison interjecting—

The SPEAKER: The member for Bass and the member for Lyons will cease interjecting.

Mr TURNBULL (Wentworth—Prime Minister) (14:08): I thank the honourable member for the question, and I assume she is asserting that that is the case. No doubt later in question time the minister will be able to deal with a specific example of the kind she raises. But I just want to emphasise this point: when the childcare changes were made, which were—

Ms Macklin: Mr Speaker, I rise on a point of order on relevance. I am talking about—
The SPEAKER: No. The member for Jagajaga will resume her seat. The member for Jagajaga will resume her seat. The member for Jagajaga is warned, and that is her final warning! The Prime Minister has the call.

Mr Nikolic interjecting—

The SPEAKER: The member for Bass will cease interjecting. The Prime Minister is 23 seconds into his answer.

Mr Brendan O'Connor interjecting—

The SPEAKER: The member for Gorton is warned!

Mr Turnbull: As I was saying before I was interrupted by the point of order, as the honourable member, the member for Jagajaga, said not so long ago, when she welcomed the government's changes to childcare arrangements—when she welcomed them—she said, 'They will have to be paid for somehow.' So changes have to be made. We live in a world of finite resources. Clearly we have got to allocate resources in a manner that ensures we get the best outcome for families, whether they are single-parent families, whether they are families where the grandparents are the primary carers, whether they are couples—but right across the board we have got to manage the finite resources we have in a manner that best supports those families and overall contributes to what I hope is a shared objective of incentivising and encouraging Australians to work, save and invest.

Mr Dreyfus interjecting—

Mr Turnbull: The honourable member is interjecting, and he should understand that we are very familiar—I can assure you—on this side of the House, with the important role grandparents play. I can assure you of that.

This has been a feature of these changes that are being brought into the parliament today. We are seeking to secure agreement and passage for these changes through the House. We have taken into account the objections that have been made. We are not rejecting the criticism that has been made. We are taking it on board. We are adjusting the policies so that we can nonetheless achieve the savings we need to support the childcare policy and also support our progress towards a balanced budget in the future.

The honourable member has been a minister of the Crown. She knows very well the heavy responsibilities we all have in government to get the balance right. We cannot spend all the money that, in an ideal world, one would like to spend. We have to be careful and systematic. If the honourable member has specific challenges about a particular part of the policy, then she should raise them, and they will be taken into account. But we should not be trying to play an old-fashioned 'gotcha' game here in the House. Let us focus on substantive policy, just for a change.

DISTINGUISHED VISITORS

The SPEAKER (14:12): I inform the House that we have present in the gallery this afternoon representatives from the Kurdistan Regional Government, led by the honourable Falah Mustafa Bakir, minister for foreign affairs and the head of mission. On behalf of the House, we extend a very warm welcome.

Honourable members: Hear, hear!
QUESTIONs WITHOUT NOTICE

Trade with China

Mr COLEMAN (Banks) (14:12): My question is to the Minister for Trade and Investment. Will the minister advise the House on the importance of bringing the historic free trade export deal with China into force?

Mr ROBB (Goldstein—Minister for Trade and Investment) (14:13): I thank the member for his question. He is a very positive and constructive conduit to the Australian Chinese community.

For decades, we have enjoyed bipartisan support in this country for freer trade, and I am pleased to advise that, in regard to the free trade agreement with China, our biggest trading partner, that proud tradition is set to continue. I join the Prime Minister in thanking the opposition for their constructive approach. The China deal is a major component in our plan to support the diversification of our economy in this quite critical post-mining boom stage. To this end, this agreement is of the highest quality. It will greatly enhance our competitive position with the world's second-largest economy. It will rapidly see the rise of middle-class and exploding consumer demand in China being able to be accessed—the services and the goods and the investment—by many Australian businesses in the years ahead. It is by far the most ambitious agreement China has done with any developed country and it is giving us the first-mover advantage in so many areas. China will ultimately provide concessions to other countries, but we have got our foot in the door with so many areas that no other country has got. It provides unprecedented openings for Australia's high-quality services.

On full implementation, 95 per cent of Australian trade with China will enter duty free. If the agreement can be brought into force this year it will save our exporters several hundred million dollars in tariff payments in 2016 alone. Agriculture will benefit, just by that early entry, by $300 million and just today on the news, with the agreement reached with the opposition, the chairman of the Australian Dairy Industry Council, Noel Campbell, described the China FTA as a 'once in a generation opportunity to grow business in our communities'. He went on to say, 'It is important that ChAFTA is implemented this year so our industry will be able to take advantage of two tariff cuts in rapid succession. It is good for growth, good for jobs, good for the economy and a boon for our export market.' Importantly, it is also good for business confidence and it is very good for our relationship with China and will stand us in good stead for decades to come.

The China free trade agreement will form a very potent trifecta with the other two agreements in North Asia, Korea and Japan. With the transformative benefits of the Trans-Pacific Partnership, in this spring-racing-carnival stage of the year we will be well on the way to landing a quaddie. (Time expired)

Family Payments

Ms MACKLIN (Jagajaga) (14:16): My question is to the Prime Minister. Is it still Liberal government policy to cut paid parental leave for 80,000 new parents each year?

Mr TURNBULL (Wentworth—Prime Minister) (14:16): I thank the honourable member for her question. As the honourable member knows, we have chosen to reprioritise, to change the spending, to ensure the Paid Parental Leave scheme is affordable and that additional childcare support can be provided through our Jobs for Families package.
From 1 July 2016 PPL will continue to provide a taxpayer funded safety net for 90,000 families who do not have access to generous public sector or corporate schemes. Under the new PPL arrangements, total assistance provided to those without access to employer-provided leave will not change. Around 45,000 families will receive a mix of government and employer funded schemes. The government has acknowledged strong support for working families for the focus to be on more accessible and affordable child care in order to support greater workforce participation.

I note the honourable member's party, the opposition, have indicated they will not support these changes, meaning that there is yet another $1 billion hole in their budget calculations. The honourable member needs to think about that because, again, as I quoted her earlier—and it was a very wise observation—she said that these things, changes, have to be paid for, somehow. We are setting out our answer to the 'somehow'. If the honourable member does not agree with it—it is not compulsory to agree with it; she is perfectly entitled to oppose it—I recognise and I respect her difference of opinion. But what I would ask the honourable member to do is propose the way she would fill the budgetary hole that her position has created.

We are dealing with limited resources. What the honourable member should be doing—with great respect to her—is making the case for why her approach to getting the balance right is better than ours, because everything has to be paid for, somehow. We have set out the how and the honourable member should set out hers, in response.

Mr Perrett interjecting—
Mr Champion interjecting—
Ms Butler interjecting—

The SPEAKER: The members for Moreton, Wakefield and Griffith will cease interjecting.

Government Advertising

Ms McGOWAN (Indi) (14:18): My question is to the Special Minister of State. It is about government advertising in rural and regional Australia. Minister, it is important that all people have access to government knowledge about services, particularly, in rural and regional Australia. Recent programs about the launch of My Aged Care, the small business boost package, Green Army campaigns and the jobactive information campaign are not advertised in rural and regional Australia. Could you please give a commitment to the House to take action on this to ensure that all government programs are advertised, especially in rural and regional media?

Mr BROUGH (Fisher—Minister for Defence Materiel and Science and Special Minister of State) (14:19): I thank the member for Indi for her question and her commitment to ensuring that the constituents in regional and rural Australia are well supplied with information about government programs. I should point out to the member for Indi that I have been approached by a number of members from across the political divide—the member for Wakefield being one; the member for Mallee being another—who also realise how important it is that no matter where we live in Australia we have access to appropriate government information. Today, we are hearing about the China free trade agreement. It is essential that
this communication reaches every Australian so that they understand just what is available to
them, in recognising these opportunities.

I say to the member for Indi that there are rules that all sides of politics should abide by,
when they are looking at these issues, and media schedules are developed with expert advice.
The guidelines on information in advertising campaigns that have been agreed to by
successive governments ensure that it is not pork-barrelling, that it is not just advertising for
advertising's sake. I point out that this government, the coalition government, in the last two
years, our first two years of government, has spent about 30 per cent less than the last two
years of the Labor government. Some of that was against advice by officials.

Coming directly to the member for Indi's question, I am advised that important issues or
programs like the Green Army, which is active in the member's electorate, is now being
advertised through the Benalla Ensign, the Myrtleford Times, the Alpine Observer and the
Wangaratta Chronicle. I would say to her as I would say to all honourable members: the
government's commitment is to ensure that we have the proper guidelines followed and that in
doing so we get the advertising where it is needed. So if you have advice of publications that
you think should be considered, we will consider them within the advice that is provided and
that is appropriate when deciding Commonwealth expenditure.

Trade

Ms MARINO (Forrest—Chief Government Whip) (14:21): My question is to the Minister
for Foreign Affairs. Will the minister update the House on how the coalition's economic
diplomacy agenda is helping Australian businesses gain greater access to overseas markets?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:22): I thank the member
for Forrest for her question. I acknowledge her support for the strong agricultural sector in her
electorate, with its world-class beef and dairy farmers and its world-class wines and
horticulturalists.

One of the government's signature foreign policy initiatives—economic diplomacy—will
ensure that our innovative and world-leading agriculturalists, and our small-business
operators and producers, are successful in export markets, either by finding new markets or by
enhancing existing markets for our exporters. Economic diplomacy is about promoting
prosperity, and a key element of the policy is of course trade. We have signed three free-trade
deals with our North Asian neighbours. Today, of course, we are so pleased to have the
support of the opposition for the China free-trade agreement. This will make a significant
difference to our exporters, particularly in the agriculture sector. I want to pay tribute to our
indefatigable trade and investment minister for his work on these three free-trade agreements.

However, our economic diplomacy initiative is also about harnessing every aspect of our
diplomatic network to support the efforts of Australian businesses overseas. Indeed, our heads
of mission are specifically tasked with increasing economic ties between Australia and the
host country. I have made supporting our businesses who are seeking to operate overseas, or
who are working overseas, a core duty of our ambassadors and our high commissioners—part
of their everyday work. And this is yielding results.

For example, in Sri Lanka our officials have helped Western Australian based company
Wellard Rural Exports to finalise a five-year cattle supply contract. Last year our diplomats in
Hong Kong successfully negotiated the resumption of dairy imports from an Australian

CHAMBER
company to ensure continuity of sales. In Brazil our diplomats have assisted Australian fashion designers to showcase at the Sao Paulo Fashion Week next year—the year of the Olympics in Brazil. The Sao Paulo Fashion Week is the fifth-largest in the world.

Mr Danby: What happened to your support for Mr Putin?

Ms JULIE BISHOP: Not only will this impact on our $12 billion fashion industry it will have a flow-on effect for our textile and materials producers in cotton, leather and wool, for example.

Mr Danby: Putin—her new favourite!

Ms JULIE BISHOP: Through Tourism Australia we have also run a global Restaurant Australia campaign that targeted four million Britons and has resulted in a significant increase in tourism enquiries that will translate into increased tourism visitors here. Similar campaigns in other nations around the world are highlighting the high-quality food and wine available in Australia, including in the beautiful Margaret River.

This government is committed to finding more opportunities for Australian businesses to export goods and services overseas.

National Broadband Network

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:25): My question is to the Prime Minister. Last night in Senate estimates it was revealed that the government has already ordered 1,800 kilometres worth of copper to make its second-rate nbn work. That is almost enough copper to run between here and Alice Springs! Prime Minister, how much more copper will you need to make your second-rate version of the nbn work? And why is the government investing in 20th century copper when Australia really needs a 21st century national broadband network?

Government members interjecting—

The SPEAKER: Members on my right! The Treasurer! The Leader of the House!

Mr TURNBULL (Wentworth—Prime Minister) (14:25): Bipartisanship really is in the air! I cannot thank the Leader of the Opposition enough for that question!

Mr Champion interjecting—

The SPEAKER: The member for Wakefield!

Mr TURNBULL: I have to say that for two years as the communications minister I got, I think, two or maybe three questions. Now, I had to become Prime Minister to get a question on the nbn from the Labor Party! It is fantastic!

Let me answer his question. I will treat it as what it should be—a polite request for information. The design of the fibre-to-the-node network does require some new copper to connect the nodes to the existing pillars. That is simply part of the architecture.

Mr Champion: It's going to make statues!

Mr TURNBULL: The nbn has ordered additional copper, but I have to say that so far the existing copper network between the nodes to customers' houses has not required anything like the level of remediation that had been assumed.

Now, it is early days, but it may be that rumours of the terrible state of the Telstra copper network have been a little exaggerated.
Mr Danby: You were the one who exaggerated!

Mr Turnbull: But time will tell. The simple fact of the matter is this: had we continued with the Labor Party's approach to the nbn, the project would have taken another $30 billion more and taken six to eight years longer. That is a fact.

Opposition members interjecting—

The Speaker: Members on my left!

Mr Turnbull: I know that the opposition love to live in Conrovia! This project has been carefully restructured. It is under capable management. It is being carefully examined by the management. The reality is that at the time the Labor Party set this project up, and right up until earlier this year—even then—the company did not know how much it was costing to do its work. Every figure that came out of that business was questionable.

At the time of the election, so out of control was this company—so out of control was the Labor government—that they thought it was costing $2,200 in capital costs to connect premises with fibre. In reality, then and now, the direct capital costs are about $3,700. They did not even know what it was costing!

Ms Rowland: You got your mates to tell you!

Mr Turnbull: I hear honourable members shouting out—

Government members interjecting—

The Speaker: Members on my right! The member for Gippsland! The Leader of the House will cease interjecting, as will the Minister for Agriculture!

Mr Albanese: Mr Speaker, I rise on a point of order—on relevance. It was a very specific question: the question was about why copper instead of fibre. I know it is Back to the Future day—

The Speaker: There is no point of order. The member for Grayndler will resume his seat.

Mr Turnbull: Even though there was a brief interregnum, as I mentioned earlier, when the honourable member was the Minister for Communications, he is still, at least in telecommunications matters, very much a Conrovian. The simple fact of the matter is this: if Labor were to win the next election then Australians who are waiting for good broadband now would have to wait up to eight years longer. Labor's policy is more money and more waiting. (Time expired)

Opposition members interjecting—

The Speaker: The member for McEwen will cease interjecting! The member for Melbourne Ports is a particularly active interjector today. He will cease interjecting. I have asked the member for Wakefield to cease interjecting. He is now warned. He interjected repeatedly through that answer.

Trade

Mr Hogan (Page) (14:29): I welcome McAuley Catholic College from Grafton to question time today. My question is to the Minister for Agriculture and Water Resources. Will the minister update the House on how the four free-trade agreements and in particular the
China-Australia Free Trade Agreement will help regional businesses and jobs in areas like my community of Page.

Mr JOYCE (New England—Minister for Agriculture and Water Resources) (14:30): I thank the honourable member for his question. He would know better than most, especially with the students here from Grafton, about the work that has been done with this free-trade agreement and with previous free-trade agreements in making sure that we have greater security for jobs in places such as Casino, which employs 1,400 people at its meatworks—70 per cent of that beef is exported. It is a pleasure to see that Norco had a 520-per cent increase in its profits this year to the previous year, which goes to show that a change in government actually brings about a change in outcomes.

We can see with the China free-trade agreement whether it is the meat and offal reduction in tariffs, the dairy reduction in tariffs, the hide and skin reduction in tariffs, the horticultural reduction in tariffs, the wine reduction in tariffs, the seafood reduction in tariffs, the cottonseed reduction in tariffs, the wool increase in volumes, the wool tops that also will give us greater access too, the barley reduction in tariffs or the sorghum reduction in tariffs, that they are all part and parcel of why this nation should be doing everything in its power to increase the capacity to get further employment for Casino, further employment for Grafton, further employment for Lismore and further employment throughout regional Australia.

It is also good to see that we are a government that is actually delivering on our promises. We set about making targets and we hit them. We said that we would open live trade into China and today the first shipment has arrived in China. We have the capacity over time to export live up to a million head of cattle and, with slaughter and breeding cattle, the capacity in a decade to get to around $2 billion in exports just for that industry alone, equivalent to what our exports are in motor vehicles.

Mr Wilkie: Mr Speaker, I rise on a point of order: systemic animal cruelty.

The SPEAKER: The member for Denison will resume his seat and he is warned. He has heard me on numerous occasions warn against frivolous points of order. The Minister for Agriculture and Water Resources has the call.

Mr JOYCE: We always hear from the other side that we have to ask the question about revenue but we do answer that question about revenue. We answer the question about revenue because we find the markets to earn more money. That is how we answer the question about revenue, by making sure that this nation earns more money—not the taxpayer paying more money but our nation earning more money. It is through the actions of people such as the trade minister and through the actions of the department of agriculture that we have a better standard of living not only for the people of Page but for the people of regional Australia and for the people of Australia in general. We have a vision, we have a plan and yet again we are delivering.

DISTINGUISHED VISITORS

The SPEAKER (14:33): I would like to inform the House we have present in the gallery this afternoon the honourable Stephen Mullighan, South Australian Minister for Transport and Infrastructure. On behalf of the House, I extend a warm welcome.

We also have present in the House the former member for Lowe, Mary Easson. On behalf of the House, I also extend a welcome to her.
Honourable members: Hear, hear!

QUESTIONS WITHOUT NOTICE

Broadband

Mr CLARE (Blaxland) (14:33): My question is to the Prime Minister. Before the last election, the Prime Minister promised that he would build his second-rate version of the NBN for 29½ billion dollars. The NBN corporate plan now reveals that the cost of his second-rate version of the NBN will now cost almost double that, up to $56 billion. Does the Prime Minister admit that this massive blow-out is a broken promise?

Mr TURNBULL (Wentworth—Prime Minister) (14:34): The honourable member seems to be living in a world of complete denial. Here are the facts: the Labor government embarked on the NBN project in a manner unprecedented anywhere else in the world without having any idea as to how much it would cost or how much it would take. The whole policy formation process took only 11 weeks.

Ms King interjecting—

The SPEAKER: The member for Ballarat will cease interjecting.

Mr TURNBULL: It was the single most reckless decision of the Rudd era. It involved a commitment of tens of billions of dollars. Everywhere else in the world and prior to that in Australia—

Mr Ewen Jones interjecting—

The SPEAKER: The member for Herbert will cease interjecting.

Mr Pyne interjecting—

The SPEAKER: The Leader of the House will cease interjecting.

Mr Mitchell interjecting—

The SPEAKER: The member for McEwen will cease interjecting.

Mr Dreyfus: Mr Speaker, I rise on a point of order. This question is—

The SPEAKER: The point of order? On the point of order.

Mr Dreyfus: very directly about the Prime Minister's promise—

The SPEAKER: The member for Isaacs will resume his seat unless he states the point of order.

Mrs Griggs interjecting—

The SPEAKER: The member for Solomon will cease interjecting. The Prime Minister is in order. It was a long question with many aspects to it. He is completely in order.

Mr TURNBULL: Everywhere else in the world the model has been for the existing, generally private sector, telcos to get on with the job and for governments to provide specific subsidies to ensure that people, particularly in regional and remote areas, get a service. That is what our neighbours in New Zealand, for example, did and very successfully. Only here, in what was apparently the socialist paradise of Kevin Rudd and Julia Gillard—and Stephen Conroy in Conrovia—was it conceived that the government would undertake this entire project—no wonder it ran off the rails.
The fact is that nobody knew what the real numbers were with the NBN until very recently. The government did not know.

Mr Bowen interjecting—

The SPEAKER: The member for McMahon will cease interjecting.

Mr TURNBULL: We made our best estimates and our best forecasts for every number and we did that from opposition. The Labor government, incumbent with the company, with access to the company systems, did not even know how much it was costing to connect a premises with fibre. They were clueless—absolutely clueless; clueless, and wasting billions of dollars.

We actually now know what the project is costing, and we know what the alternatives are, and the facts are that if we were to proceed with the Labor Party's alternative it would take six to eight years longer and cost up to $30 billion more. So I say to honourable members opposite: to your constituents who do not have access to very fast broadband now and want it, your message is, 'Vote Labor and wait longer.'

Ms Rowland interjecting—

The SPEAKER: The member for Greenway will cease interjecting.

Mr TURNBULL: Vote Labor and pay more. Vote Labor and wait another eight years. Vote Labor and pay higher costs.' What a great deal that is! That is going to be the Labor message. We are getting on with the job, we are cleaning up your mess and we are building the network.

Mr Pyne interjecting—

The SPEAKER: The Leader of the House can cease interjecting. Just in case the members for Greenway and Ballarat did not hear me repeatedly request they cease interjecting, they are now both warned.

Mr Clare: Mr Speaker, I seek leave to table the coalition's 2013 election promises—

The SPEAKER: Is leave granted? Leave is not granted.

Child Care: Jobs for Families Package

Mrs McNAMARA (Dobell) (14:38): My question is to the Treasurer. Will the Treasurer update the House on how the government's $3.5 billion Jobs for Families package will help families to work, save and invest? How is the government helping Australian families and supporting parents who want to enter the workforce?

Mr MORRISON (Cook—Treasurer) (14:38): I thank the member for Dobell for her question because she knows, as all those on this side of the House know, that, to grow our economy and to grow jobs in our economy—that is what this side of the House is focused on; I do not know what they are focused on over there, but what we are focused on is growing our economy and growing our jobs—you have to reward, encourage and support Australians to work, save and invest. You need to do that certainly in the tax system, and that is what the government is working on, but in addition you need to do it through how you arrange your payment system as well. You need to have your tax system and your payment system working closely together for these objectives. That is why it is incredibly important that we have the Jobs for Families package that is going to deliver more affordable child care to families around the country, to give them the choice to be able to work more. That is what it is

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endeavouring to do. It is a once-in-a-generation set of changes that are going to empower families to have choice to work more. It will mean being $30 better off a week—$1,500 better off a year—for low to middle income families for whom, in their situation, the cost of child care is an impediment to working more. We want to remove that impediment. But when you are introducing measures like this—at a cost over the budget and forwards of some $3½ billion when it was introduced—you have to pay for them. The Judy Garland of Australian politics, the member for Jagajaga, has told us that you have to pay for this 'somehow'; it is somewhere, over the rainbow, way up high, in a land that she's heard of once in a lullaby. We know that the only place Labor can pay for their promises is in their dreams, but this is ridiculous!

Mr Dreyfus interjecting—

The SPEAKER: The member for Isaacs will cease interjecting.

Mr MORRISON: 'Somehow' is how we are supposed to pay for it. Well, the 'somehow' was contained in the bill that was introduced by the Minister for Social Services today which represents a collaborative approach. We were working with the crossbench in the Senate—because those opposite are not interested in working collaboratively to deliver this program—to deliver the package of measures; we were listening to and working with the sector to get the package right. And the 'somehow' bill, for the benefit of the member for Jagajaga, is now in the parliament, and you can pay for these promises, you can pay for the more affordable child care, by getting on board with that program.

The offer is there for those opposite to work with the government to ensure that families around the country can have greater choice, and those opposite have engaged in a discussion today—the old discussion—about winners and losers. What they do not understand is: if people are working, they are better off. Those opposite have a closed-minded view about how the economy works. It is just a constrained pie. What we are trying to do is to grow that pie so that more families can benefit. We know that Australians would rather be in work than on welfare. Those opposite seem to have a very different view.

Broadband

Mr CLARE (Blaxland) (14:41): My question is to the Prime Minister. Before the last election the now Prime Minister promised that all Australians would have access to internet speeds of 25 megabits per second by the end of 2016. Does the Prime Minister admit that this is another broken promise?

Mr TURNBULL (Wentworth—Prime Minister) (14:41): I thank the honourable member. One more question and he will have asked me more questions today than he has done in the last two years. Again, I will treat this question as a polite request for information, and I will respond accordingly. When we were preparing our broadband policy that we took to the last election—

Mr Brendan O'Connor interjecting—

The SPEAKER: The member for Gorton has been warned.

Mr TURNBULL: the key question to ask was: 'How could we complete the project faster, cheaper and more effectively?' That was the key question. And we undoubtedly got that answer right—that a mixed technology model is cheaper and faster and more efficient. That is beyond question. We got the fundamental answer right. We were optimistic in setting as a
goal that—not simply from the NBN but from all other technologies, including the HFC networks and including wireless networks and so forth—by the end of 2016 all Australians would have access to 25 megs. It was set as a goal. By the time of the strategic review that was completed in December, only a few months after the election, it was quite clear that that goal could not be achieved. And we were very frank about that and we acknowledge that. It is very important for honourable members to understand—particularly honourable members opposite—that we are playing, with the NBN, a very difficult hand of cards that the Labor Party left us. They left us a mess. In my judgement, tens of billions of dollars have been wasted that can never ever be recovered. The reality is that the technologies we are using are absolutely the latest technologies used around the world.

**Opposition members:** Copper?

**Mr Turnbull:** The honourable members go on about copper. The approach that we are taking—the mixed technology approach—is the same as is being taken by British Telecom, by Deutsche Telekom, by Swiss telecom and by AT&T. It may be that honourable members opposite know more about telecommunications than all of those big telcos, but I doubt it. I actually think that those big telcos and other nations have got a pretty good handle on this, and the approach we are taking is a very powerful one. I can give one example, just on the Central Coast where the FTTN rollout is occurring, where a gentleman who lived some distance from the node had said he wanted to pay to have fibre pulled to his house nonetheless. And the NBN can do that. Once he was connected and was getting over 60 megabits per second download speed, he said, 'That's fantastic. I don't need fibre to the premises.'

**Opposition members interjecting—**

**Ms Butler interjecting—**

**Mr Mitchell interjecting—**

**The Speaker:** I have asked the member for Griffith to cease interjecting. She continued to interject through that answer. That is her final warning. The same applies to the member for McEwen.

**Distinguished Visitors**

The Speaker (14:44): I inform the House that we have present in the gallery this afternoon the recipients of the Prime Minister's science prizes. On behalf of the House, I extend a welcome and congratulations to them.

Honourable members: Hear, hear!

**Questions Without Notice**

**Family Payments**

**Mrs Wicks** (Robertson) (14:45): My question is to the Minister for Social Services. Will the minister advise the House how the new Families Package is fairer to all Australians? How will this benefit families, particularly in my electorate of Robertson?

**Mr Porter** (Pearce—Minister for Social Services) (14:45): I thank the member for the question. Perhaps I can answer it in summary fashion by saying that the bill placed before the parliament this morning pays for four critical initiatives. First, as the Treasurer has noted, it will pay for the childcare reform package. For the electorate of Robertson that represents
7,580 families. It will pay for measures that make the childcare system simpler, fairer and less inflationary. It will provide most families with $30 more per week. It encourages 240,000 families, including 38,000 jobless families, to work or work more. Indeed, as the Treasurer pointed out, this is the 'somehow' as to how we pay for child care. In fact, I debated with the Treasurer whether we should actually call it the 'somehow bill'. I favoured the 'Social Services Legislation Amendment (the Finding the Way Somehow to Responsibly Pay for Childcare Reform) Bill 2015'. Unfortunately, that did not happen.

I might just take this opportunity, Mr Speaker, through you, to put to the member for Jagajaga that, if the grandparent carer cohort is the primary or only concern that Labor have, let's have a cup of tea about that. It is a very, very small cohort. As you would know, it is about 3,000—

**Opposition members interjecting—**

**Mr Porter:** It is a genuine offer. I will shout the cup of tea and we can sit down and talk about that. The second thing that this bill pays for is that all FTB A families will receive $10 more a fortnight. That is, 1.5 million Australian families will receive $10 more a fortnight. Also, all young recipients of DSP and youth allowance will be over $10 a fortnight better off. In the long term it restrains expenditure growth, and so it assists us maintaining and achieving a surplus. It does all of these things. Yes, we are prepared to make a very difficult decision, which is to phase down and, in the end, ultimately remove the Family Tax Benefit end-of-year supplements. That is not going to be a simple thing to do. No doubt it was more popular in 2004 to introduce them than it will now be to phase them out and remove them, but these supplements at the end of the year that come as a lump sum to FTB A and B families were produced in 2004 in Peter Costello's ninth budget when he was predicting a $13 billion surplus. In the years preceding 2004, there had been a very large problem with end-of-year debts. That problem has stabilised. Into the future, we will be able to very dramatically decrease that problem with the single-touch payroll system.

We have a situation where an overwhelming number of families are receiving an end-of-year supplement to pay them to reimburse a debt that they do not have, and we think that money can be better spent—better spent on child care, better spent on the fortnightly cycle for FTB A families, better spent in a way that increases employment across that sector. *(Time expired)*

**Innovation**

**Mr Shorten** (Maribyrnong—Leader of the Opposition) (14:49): My question is to the Prime Minister. Recently, the Prime Minister said:

Our government is committed to an innovative Australia. Innovation nation.

They are nice words, but can the Prime Minister confirm it is still Liberal government policy to cut $3 billion from science, innovation and research, including $300 million from university research, $107 million from co-operative research centres and more than $170 million from research training?

**Mr Turnbull** (Wentworth—Prime Minister) (14:49): I thank the honourable the Leader of the Opposition for his question. As he has mentioned science, I would like to add my congratulations to the winners of the Prime Minister's Prizes for Science awards who were here earlier, and, in particular, the two science teachers. It is an absolutely critical and
important objective of our government—and one would hope every government—that science be taught well in schools and that more students undertake STEM subjects. That is a critical objective. The reality is that spending on science and research is increasing year after year. The fact is that we have a very deep commitment to this. The opposition is very familiar with its efforts in actually holding back investment in medical research. I would invite the minister for, among other things, science to provide some further details to the House on the government's commitment in this area.

Mr PYNE (Sturt—Leader of the House and Minister for Industry, Innovation and Science) (14:50): I thank the Prime Minister for the opportunity to inform the opposition about some of the facts to do with the funding of research and science and innovation and higher education following the Leader of the Opposition's question. Of course, before I held this position as Minister for Industry, Innovation and Science, I was the minister for university education. Before I deal with innovation, I will start by explaining that, when I became the minister for higher education, I immediately had two funding cliffs left by the Labor Party, who asked this question about cuts to research. The National Collaborative Research Infrastructure Scheme was left without any funding at all—an undeniable fact; the Future Fellowships program was left without any funding at all—an undeniable fact—both of which I fixed with the support of the then Treasurer and the then Prime Minister. In fact, this government put more money into research and universities and science than Labor had left.

The Leader of the Opposition asked specifically about CSIRO. It is remarkable that he has not done his homework or that his staff have not done their homework or perhaps, indeed, the member for Grayndler is supplying today's questions pack, because it has been so disastrous for the Leader of the Opposition—

The SPEAKER: The minister will return to the answer.

Mr PYNE: But when the Labor Party were in office they cut $83 million from CSIRO. Between 2011 and 2016 they have had $83 million cut—

The SPEAKER: The minister will resume his seat. Before I call the member for Sydney, I have warned about frivolous points of order. I will hear the point of order. What is the point of order?

Ms Plibersek: Well—

The SPEAKER: No, not 'well', what is the point of order?

Honourable members interjecting—

The SPEAKER: Members will cease interjecting. I have asked a number of times when a point of order is being made for members to state the point of order.

Mr Ewen Jones interjecting—

The SPEAKER: The member for Herbert is warned. The member for Sydney will state the point of order.

Ms Plibersek: It is on relevance. The minister is talking about the CSIRO, which we did not ask about!

The SPEAKER: The member for Sydney will resume her seat. The minister has the call.

Mr PYNE: Oh, dear. In the time I have left perhaps I should state that the CSIRO is the Commonwealth Scientific and Industrial Research Organisation! It is actually not a made-up...
name! It is not a country or a continent! That might have confused the deputy opposition leader. It is actually— (Time expired)

Superannuation

Mr WILLIAMS (Hindmarsh) (14:53): My question is to the Minister for Small Business and Assistant Treasurer. Will the minister explain what action the government is taking to ensure Australians have more choice with their superannuation?

Ms O’DWYER (Higgins—Minister for Small Business and Assistant Treasurer) (14:54): Thank you to the member for Hindmarsh. Can I say that he is a very powerful advocate on behalf of all of his constituents. He is concerned very deeply about their retirement incomes, which goes to the very heart of his question today. Next to the family home, the greatest source of wealth for most Australians is their superannuation savings. How well their superannuation funds perform directly impacts on their retirement incomes.

It is incredibly important that every Australian has choice in their superannuation fund, because every Australian is best placed to determine what is in their best interests and what is in the best interests of their family. It is in their hands that we should put their future.

Employees who are covered by enterprise bargaining agreements currently have no say whatsoever in relation to their superannuation fund. They are directed to be in an industry fund or in a retail fund that is covered by the enterprise bargaining agreement. They are forced into that particular fund. Around about 20 per cent of all employees in Australia are covered by enterprise bargaining agreements. I have an example of one such person, a university student who is a part-time employee of the university. He is paid by them and he is covered by an enterprise bargaining agreement that forces him into a particular fund. He also works part-time at a major supermarket chain, where he is covered by another enterprise bargaining agreement and is forced into a different superannuation fund. This means two different superannuation funds, two different sets of fees and two different premiums that he is forced to pay for his insurance. He asks this pretty valid question: ‘Superannuation is a compulsory investment of my funds for my future. How is it that the law allows for the decision on who is in control of my money to be made for me by an agreement which I did not vote for?’ We say to him that we are going to fix that problem for him. We are fixing it in our response to the financial systems inquiry. We are going to throw open the choice that is available to him. We know that he is best-placed to make the decision about what is in his best interests and what is in the best interests of his retirement future. So, we say to him: today, on this side of the chamber we will fix it. And we ask the question of those opposite: will you join us?

Honourable members interjecting—

The SPEAKER: The member for Lingiari will cease interjecting. He also used an unparliamentary term. He can assist the House and withdraw it.

Mr Snowdon: I withdraw.

The SPEAKER: Thank you. The member for Sydney.

Research and Development: NICTA

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (14:57): My question is to the Prime Minister. Last year the now Prime Minister took the German Chancellor to NICTA, Australia’s flagship IT research agency, in my electorate of Sydney. Why has the Prime
Minister cut funding for NICTA? Isn't it the case that the Prime Minister is all talk and no action?

Mr Turnbull (Wentworth—Prime Minister) (14:57): I thank the honourable member for her question. I did join the then Minister for Industry and Science, Ian Macfarlane, and the German Chancellor, Angela Merkel, at NICTA. It was the single research centre that she was most keen to see in Australia.

Opposition members interjecting—

Mr Turnbull: It was a very, very good example of collaborative research, applied research and cooperation between primary research and industry. It has now become part of the CSIRO—I don't need to tell the honourable member what the initials mean, as my colleague has done that—and it is part of the Digital Futures facility or unit within the CSIRO.

Opposition members interjecting—

The Speaker: The member for Chifley is warned.

Mr Turnbull: The CSIRO has a new CEO, Larry Marshall, who, as a very committed and experienced entrepreneurial scientist who has done very well in venture capital, understands the importance of this type of collaboration. It has a new chairman, David Thodey, the former CEO of Telstra, who has been a formidable agent for change within his own corporation. He has taken that big organisation, formerly the PMG, and inspired it to be much more innovative. So there are sea changes at the CSIRO. While I understand very keenly indeed the disappointment that was felt by many at NICTA at NICTA's funding having been reduced and NICTA being moved into the CSIRO, I think people from both the old NICTA and the CSIRO are now seeing that this is a really powerful and inspired combination. What it is doing is taking a small unit, NICTA, which had a very imperfect governance, and incorporating it into Australia's industrial research-applied research powerhouse, the CSIRO. A combination of NICTA and CSIRO is going to supercharge that type of applied research, obviously in the ICT area, in a way that we have not seen before.

I have great confidence in this work within the CSIRO, great confidence in Larry Marshall, the CEO, and great confidence in David Thodey and that whole team at CSIRO. This is going to be a much more dynamic organisation as a result of the merger with NICTA.

Infrastructure

Mr Hutchinson (Lyons) (15:00): My question is to the Deputy Prime Minister and Minister for Infrastructure and Regional Development. Will the minister update the House on the delivery of key infrastructure projects in my home state of Tasmania?

Mr Truss (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (15:00): I thank the honourable member for his question and acknowledge what a great advocate he is for building infrastructure in Tasmania. Our $50 billion infrastructure program is benefiting not just the north island but also the south island of our country, and there are a large number of projects already underway. I was pleased to announce with the Tasmanian government just a couple of days ago another $60 million project, which is a part of this 10-year action plan, with $500 million to be spent on the Midland Highway. This is a project that will duplicate the section of the Midland Highway from Perth to the Breadalbane roundabout, and it will contribute significantly to building safer
roads in that section of the highway. It is an important artery for Tasmania and we are committed to upgrading the project.

Members will be aware that this government has committed over $1 billion for infrastructure projects in Tasmania—$1 billion between 2013-14 and 2019-20. Of this, about $175 million will be provided this year. The member will also be particularly interested in the Tasmanian rail revitalisation project, which we are funding in partnership with the Tasmanian government—a freight network upgrade worth about $120 million. This will create new jobs, boost Tasmania's civil construction industry and provide opportunities for a better transport system in the state. I should not let this occasion pass without also recognising our $38 million contribution to upgrading Hobart's airport. This will mean a longer runway, which will equip Hobart to be the headquarters specifically for Antarctic research, but it will also be a runway long enough to take aircraft providing international services into Hobart from Asia and other places.

These are real, critical injections of capital into the infrastructure bank in Tasmania, helping to make the state more competitive, making sure that freight and people are able to move effectively around the state, and build Tasmania the strong economy it needs, the strong economy it wants and the strong economy that this government is committed to deliver to our island state.

**Marriage**

Ms O'NEIL (Hotham) (15:03): My question is to the Prime Minister. I refer to the Prime Minister's support for a plebiscite on marriage equality and I ask the Prime Minister: will the national result of the plebiscite be binding on coalition members? Or will individual coalition members be bound by the results in their individual seats? Or will the plebiscite not be binding on coalition members at all?

Mr TURNBULL (Wentworth—Prime Minister) (15:04): That is a very good question and I thank you for it.

*Opposition members interjecting—*

The SPEAKER: Members on my left!

Mr TURNBULL: I think it is an absolutely reasonable request. The answer is—

*Mr Husic interjecting—*

The SPEAKER: The member for Chifley has been warned.

Mr TURNBULL: that the consequence of a 'yes' vote in the plebiscite will be that same-sex marriage will be legal in Australia.

*Opposition members interjecting—*

The SPEAKER: Members on my left will cease interjecting. The member for Hotham will cease interjecting.

**Defence Procurement**

Mrs GRIGGS (Solomon) (15:04): My question is to the Minister for Defence Materiel and Science. Will the minister advise the House how Australian industry, in partnership with the Australian Defence Force, is seeking innovative ways to provide the very best equipment
for our Defence personnel? What is being done to promote an Australian defence industry that is internationally competitive?

Mr BROUGH (Fisher—Minister for Defence Materiel and Science and Special Minister of State) (15:05): I thank the member for Solomon not only for the question but as she is a true champion of the 1 Brigade and the men and women of Robertson Barracks up there in Darwin. The member for Solomon, like everyone in this House, recognises that, when we send our Defence Force personnel into harm's way, we must do everything we possibly can to give them the best equipment and the best protection possible in order to carry out their duties.

I go back to 2002 and the Howard government, when the decision was then taken to be part of the Joint Strike Fighter program, the US led initiative to develop the fifth generation of fighters. At the time, I think there was a rather sceptical business sector saying, 'How are Australian companies going to benefit from this really large investment?' I can report to the House that, today, there have been nearly $500 million worth of contracts of high-innovated companies in Australia adding to that incredible program. I will just mention one of them. It is the Marand company, based in Victoria. It has put together a particular product which brings together 12,000 complex parts in an innovative piece of materiel, which is an engine trailer for the F35. I should tell the House that this is not only an essential piece of equipment; it is the only one of its type in the world. This is Australian technology—it was designed by Australians, manufactured by Australians and assembled here.

Only last Monday—and this will really be of interest to the member for Solomon—I was over at ADFA with Major General Gus McLachlan, who is Army's Head of Modernisation and Strategic Planning. The Army is reaching out to industry and saying, 'Bring your innovative ideas in to us.' I met with one of those companies over there—Zero Latency—which would be a bit of a surprise to members. This is a company that is in the gaming sphere, a massive industry around the world. Army recognised that we could use their technology, which is based on virtual reality gaming in a free-roaming, immersive surround. In doing so, Army is reaching out to Australian industry and then taking it to the world.

There are many other examples. One is Marathon Targets, based out at Marrickville. They have developed the world's first robotic target system for live fire training. They are now supplying not only the Australian Special Air Service Regiment but also the US Army. And there are many other examples. The defence industries can absolutely rely on the fact that this government, led by a Prime Minister who understands innovation, will take the best and the brightest of Australia to the rest of the world, creating jobs and opportunities for Australian companies. (Time expired)

Budget

Mr BOWEN (McMahon) (15:08): My question is to the Treasurer. When asked this morning when the government would come back to surplus, the Treasurer gave—for him—a detailed and specific answer: 'In the future, when we get to that point.' Was the Treasurer getting into the spirit of Back to the Future Day? Or does the Treasurer of Australia really not know when he will get back to surplus?

Mr Nikolic interjecting—

The SPEAKER: The member for Bass!
Mr MORRISON (Cook—Treasurer) (15:09): As the member would well know, the projection for balances is 2020. But I tell you what: we would get there a lot quicker if they actually supported savings measures. This is what the shadow Treasurer said last night: 'Labor have a very clear fiscal rule of more savings than spending.'

Mr Husic interjecting—

The SPEAKER: Member for Chifley, it is your final warning.

Mr MORRISON: Now, let's just see how they are going on that. They have $43.8 billion in new spending measures and in spending measures that they want to see restored. They have $18.3 billion in savings measures that they have opposed and that we are continuing to seek to have passed by the parliament, including $3.6 billion of measures they proposed themselves when they were in government and are now opposing. That leaves some $62.1 billion that we would be further down the hole on if they had their opportunity. To balance off that $62.1 billion, they have $3.8 billion on their favourite topic—higher taxes—and $1.3 million in saves. So, they have $1.3 million in saves and $62.1 billion to sort it out. I thought theirs was a very clear fiscal rule of more saves than spending. On that score, the shadow Treasurer has a lot of work to do.

Mr Turnbull: On that encouraging note, I ask that further questions be placed on the Notice Paper.
debate and the question on the second reading being put, on the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015 and the Customs Tariff Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015, if earlier, at which time the House shall stand adjourned until 9 am on Thursday, 22 October;

(2) during the period from 7.30 pm to 9.30 pm any division on a question called for in the House, other than on a motion moved by a Minister during this period standing deferred until after Prayers on Thursday morning; and

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

The effect of this motion is that the House will sit from 7.30 to 9.30. The adjournment will be negatived between 7.30 and 8.00. So, the House will continue to sit as though there had been no interruption. The agreement we have reached with the opposition is that until 9.30 but between 7.30 and 9.30 no divisions or quorums will be called. My understanding from the clerk responsible for these matters is that there is about 9¾ hours of debate on the China-Australia Free Trade Agreement. This will take us almost to the end of that debate by about 9.30 tonight, especially if colleagues are generous and reduce their time to 10 minutes rather than 15 so that everyone who wants to gets a go, and so far that seems to be what is happening. Then tomorrow morning we will have potentially about an hour or three quarters of an hour or maybe a little bit more of finishing off with those speakers who did not get a chance tonight, who went home after 9.30. And then the minister will sum up and the bill will be passed.

That means that if members were planning on going out they can do so knowing that they will not miss a division. But if they are listed to speak on the China-Australia Free Trade Agreement then obviously they should stay until their chance to speak. I thank the House for its cooperation.

Question agreed to.

COMMITTEES

Reference

The SPEAKER (15:14): I present a schedule showing the allocation to committees of annual reports of government departments and agencies.

The schedule read as follows—

Speaker’s Schedule

Allocation to Committees of Annual Reports of Government Departments and Agencies, October 2015

Standing Committee on Agriculture and Industry

Agriculture and Water Resources Portfolio
- Animal Health Australia
- Australian Egg Corporation Limited
- Australian Fisheries Management Authority*
- Australian Grape and Wine Authority
- Australian Livestock Export Corporation Limited (LiveCorp)
- Australian Meat Processor Corporation
- Australian Pesticides and Veterinary Medicines Authority
Australian Pork Limited
Australian Wool Innovation Limited
Cotton Research and Development Corporation
Dairy Australia Limited
Department of Agriculture and Water Resources**
Fisheries Research and Development Corporation***
Forest and Wood Products Australia***
Grains Research and Development Corporation
Horticulture Innovation Australia Limited
Landcare Australia Ltd***
Meat and Livestock Australia
Murray-Darling Basin Authority***
National Rural Advisory Council
National Water Commission***
Plant Health Australia
Rural Industries Research and Development Corporation
Sugar Research Australia Limited
Statutory Fishing Rights Allocation Review Panel*
  * Referred also to the Standing Committee on the Environment and the Standing Committee on Indigenous Affairs
  ** Referred also to the Standing Committee on Economics and the Standing Committee on the Environment
  *** Referred also to the Standing Committee on the Environment
  * This allocation is current as at the date of tabling.

** Education and Training Portfolio**
Tertiary Education Quality and Standards Agency*
  * Referred also to the Standing Committee on Education and Employment

** Environment Portfolio**
Australian Renewable Energy Agency*
Clean Energy Regulator*
Department of the Environment**
  * Referred also to the Standing Committee on the Environment
  ** Referred also to the Standing Committee on Economics, the Standing Committee on the Environment, the Standing Committee on Indigenous Affairs, the Standing Committee on Infrastructure, Transport and Cities and the Joint Standing Committee on the National Capital and External Territories

** Foreign Affairs and Trade Portfolio**
Australian Centre for International Agricultural Research* Tourism Australia**
  * Referred also to the Joint Standing Committee on Foreign Affairs, Defence and Trade
  ** Referred also to the Standing Committee on Economics, the Standing Committee on the Environment and the Joint Standing Committee on Foreign Affairs, Defence and Trade
**Health Portfolio**

Gene Technology Regulator*

*Referred also the Standing Committee on Health and the Standing Committee on Social Policy and Legal Affairs

**Industry, Innovation and Science Portfolio**

ANSTO Nuclear Medicine Pty Ltd
Australian Institute of Marine Science*
Australian Nuclear Science and Technology Organisation**
Australian Skills Quality Authority
Commonwealth Scientific and Industrial Research Organisation***
Department of Industry, Innovation and Science****
Geoscience Australia
IIF Investments Pty Ltd
Innovation Australia***
IP Australia
National Measurement institute
National Offshore Petroleum Safety and Environmental Management Authority
Professional Standards Board for Patent and Trade Mark Attorneys
Questacon—The National Science and Technology Centre*
Snowy Hydro Limited*****

* Referred also to the Standing Committee on Education and Employment

** Referred also to the Standing Committee on Education and Employment and the Standing Committee on Health

*** Referred also to the Standing Committee on Infrastructure, Transport and Cities

**** Referred also to the Standing Committee on Economics, the Standing Committee on Education and Employment and the Standing Committee on Infrastructure Transport and Cities

***** Referred also to the Standing Committee on the Environment

**Prime Minister and Cabinet Portfolio**

Department of the Prime Minister and Cabinet*

* Referred also to the Standing Committee on Economics, the Standing Committee on Education and Employment, the Standing Committee on Environment, the Standing Committee on Indigenous Affairs, the Standing Committee on Infrastructure, Transport and Cities and the Standing Committee on Social Policy and Legal Affairs

**Standing Committee on Communications and the Arts**

**Attorney-General's Portfolio**

Classification Board and Classification Review Board* National Archives of Australia*

*Referred also to the Standing Committee on Social Policy and Legal Affairs

**Communications and the Arts Portfolio**

Australia Council for the Arts
Australian Film, Television and Radio School*
Australian National Maritime Museum
Australian Postal Corporation
Australian Broadcasting Corporation
Australian Communications and Media Authority
Bundanon Trust**
Copyright Tribunal of Australia***
Creative Partnerships Australia
Department of Communications and the Arts****
National Film and Sound Archive
National Gallery of Australia
National Library of Australia
National Museum of Australia
National Portrait Gallery
NBN Co Limited
Screen Australia
Special Broadcasting Service Corporation
Telecommunications Universal Service Management Agency
The Museum of Australian Democracy
* Referred also to the Standing Committee on Education and Employment
** Referred also to the Standing Committee on the Environment
*** Referred also to the Standing Committee on Social Policy and Legal Affairs
**** Referred also to the Standing Committee on Economics and the Standing Committee on Indigenous Affairs

Foreign Affairs and Trade Portfolio
Export Finance and Insurance Corporation*
* Referred also to the Standing Committee on Infrastructure, Transport and Cities and the Joint Standing Committee on Foreign Affairs, Defence and Trade

Prime Minister and Cabinet Portfolio
Commonwealth Ombudsman (Postal Industry Ombudsman)*
*Referred also to the Standing Committee on Economics, the Standing Committee on Education and Employment, the Standing Committee on Social Policy and Legal Affairs, the Joint Standing Committee on Foreign Affairs, Defence and Trade, and the Joint Standing Committee on Migration

Standing Committee on Economics
Agriculture and Water Resources Portfolio
Department of Agriculture and Water Resources*
* Referred also to the Standing Committee on Agriculture and Industry and the Standing Committee on the Environment

Communications and the Arts Portfolio
Department of Communications and the Arts*
* Referred also to the Standing Committee on Indigenous Affairs and the Standing Committee on Communications and the Arts
Employment Portfolio
  Department of Employment*
  * Referred also to the Standing Committee on Education and Employment

Environment Portfolio
  Clean Energy Finance Corporation* Department of the Environment**
  * Referred also to the Standing Committee on the Environment
  ** Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on the Environment, the Standing Committee on Indigenous Affairs, the Standing Committee on Infrastructure, Transport and Cities and the Joint Standing Committee on the National Capital and External Territories

Finance Portfolio
  Australian Political Exchange Council
  Commonwealth Superannuation Corporation*
  CSS Board
  Department of Finance*
  Future Fund Management Agency*
  Parliamentary Retiring Allowances Trust PSS Board
  * Referred also to the Standing Committee on Tax and Revenue

Foreign Affairs and Trade Portfolio
  Department of Foreign Affairs and Trade* Tourism Australia**
  * Referred also to the Joint Standing Committee on Foreign Affairs, Defence and Trade ** Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on the Environment and the Joint Standing Committee on Foreign Affairs, Defence and Trade

Health Portfolio
  Department of Health*
  * Referred also to the Standing Committee on Health and the Standing Committee on Indigenous Affairs

Immigration and Border Protection Portfolio
  Department of Immigration and Border Protection*
  * Referred also to the Joint Standing Committee on Foreign Affairs, Defence and Trade and the Joint Standing Committee on Migration

Industry, Innovation and Science Portfolio
  Department of Industry, Innovation and Science*
  * Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Education and Employment and the Standing Committee on Infrastructure, Transport and Cities

Infrastructure and Regional Development Portfolio
  Department of Infrastructure and Regional Development*
  * Referred also to the Standing Committee on Infrastructure, Transport and Cities and the Joint Standing Committee on the National Capital and External Territories

Prime Minister and Cabinet Portfolio
  Australian National Audit Office
Australian Public Service Commission*
Commonwealth Ombudsman (incorporates ACT, Defence Force, Immigration, Law
Enforcement, Overseas Students, Postal Industry Taxation Ombudsman)**
Department of the Prime Minister and Cabinet***
National Australia Day Council Limited
Official Establishments Trust

* Referred also to the Standing Committee on Education and Employment
** Referred also to the Standing Committee on Communications and the Arts, the Standing Committee on Education and Employment, the Standing Committee on Social Policy and Legal Affairs, the Joint Standing Committee on Foreign Affairs, Defence and Trade and the Joint Standing Committee on Migration.
*** Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Education and Employment, the Standing Committee on the Environment, the Standing Committee on Indigenous Affairs, the Standing Committee on Infrastructure, Transport and Cities and the Standing Committee on Social Policy and Legal Affairs

Social Services Portfolio
Department of Human Services* Department of Social Services*

* Referred also to the Standing Committee on Education and Employment, the Standing Committee on Health, the Standing Committee on Indigenous Affairs and the Standing Committee on Social Policy and Legal Affairs

Treasury Portfolio
Australian Bureau of Statistics*
Australian Competition and Consumer Commission
Australian Competition Tribunal
Australian Energy Regulator**
Australian Office of Financial Management*
Australian Prudential Regulation Authority
Australian Reinsurance Pool Corporation
Australian Securities and Investments Commission
Australian Statistics Advisory Council
Australian Taxation Office*
Australian Valuation Office
Commonwealth Grants Commission*
Companies Auditors and Liquidators Disciplinary Board
Corporations and Markets Advisory Committee
Financial Reporting Council*
Foreign Investment Review Board
National Competition Council
Office of the Auditing and Assurance Standards Board*
Office of the Australian Accounting Standards Board*
Payments System Board
Productivity Commission*
Reserve Bank of Australia
Royal Australian Mint
Superannuation Complaints Tribunal
Takeovers Panel
The Treasury*
* Referred also to the Standing Committee on Tax and Revenue
** Referred also to the Standing Committee on Infrastructure, Transport and Cities

Standing Committee on Education and Employment

Attorney-General's Portfolio
Administrative Appeals Tribunal (Social Services and Child Support Division)*
* Referred also to the Standing Committee on Social Policy and Legal Affairs and the Joint Standing Committee on Migration

Communications and the Arts Portfolio
Australian Film, Television and Radio School*
* Referred also to the Standing Committee on Communications and the Arts

Education and Training Portfolio
Australian Curriculum, Assessment and Reporting Authority
Australian Institute for Teaching and School Leadership Limited
Australian Institute of Aboriginal and Torres Strait Islander Studies*
Australian National University
Australian Research Council
Department of Education and Training*
Office for Learning and Teaching
Tertiary Education Quality and Standards Agency**
* Referred also to the Standing Committee on Indigenous Affairs ** Referred also to the Standing Committee on Agriculture and Industry

Employment Portfolio
Asbestos Safety and Eradication Agency
Coal Mining Industry (Long Service Leave Funding) Corporation
Comcare
Department of Employment*
Fair Work Building and Construction (FWBC)
Fair Work Commission**
Fair Work Ombudsman
National Workplace Relations Consultative Council
Office of the Fair Work Building Industry Inspectorate
Office of the Federal Safety Commissioner
Safe Work Australia
Safety, Rehabilitation and Compensation Commission
Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority)
Workplace Gender Equality Agency**
* Referred also to the Standing Committee on Economics
** Referred also to the Standing Committee on Social Policy and Legal Affairs

Health Portfolio
General Practice Education and Training Limited*
* Referred also to the Standing Committee on Indigenous Affairs

Industry, Innovation and Science Portfolio
Australian Institute of Marine Science *
Australian Nuclear Science and Technology Organisation**
Department of Industry, Innovation and Science (Australian Astronomical Observatory)***
Questacon—The National Science and Technology Centre*
* Referred also to the Standing Committee on Agriculture and Industry
** Referred also to the Standing Committee on Agriculture and Industry and the Standing Committee on Health
*** Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Economics and the Standing Committee on infrastructure, Transport and Cities

Prime Minister and Cabinet Portfolio
Australian Public Service Commission*
Defence Force Remuneration Tribunal**
Department of the Prime Minister and Cabinet***
Indigenous Business Australia****
Commonwealth Ombudsman (Overseas Students Ombudsman)*****
Remuneration Tribunal
* Referred also to the Standing Committee on Economics
** Referred also to the Joint Standing Committee on Foreign Affairs, Defence and Trade ***
Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Economics, the Standing Committee on the Environment, the Standing Committee on Indigenous Affairs, the Standing Committee on Infrastructure, Transport and Cities and the Standing Committee on Social Policy and Legal Affairs
**** Referred also to the Standing Committee on Indigenous Affairs
***** Referred also to the Standing Committee on Communications and the Arts, the Standing Committee on Economics, the Standing Committee on Social Policy and Legal Affairs, the Joint Standing Committee on Foreign Affairs, Defence and Trade and the Joint Standing Committee on Migration

Social Services Portfolio
Department of Human Services*
Department of Social Services*
Social Security Appeals Tribunal (abolished 1 July 2015)**
* Referred also to the Standing Committee on Economics, the Standing Committee on Health, the Standing Committee on Indigenous Affairs and the Standing Committee on Social Policy and Legal Affairs
** Referred also to the Standing Committee on Social Policy and Legal Affairs
Standing Committee on the Environment

Agriculture and Water Resources Portfolio
- Australian Fisheries Management Authority*
- Department of Agriculture and Water Resources**
- Fisheries Research and Development Corporation***
- Forest and Wood Products Australia***
- Landcare Australia Ltd***
- Murray-Darling Basin Authority***
- National Water Commission***
- Statutory Fishing Rights Allocation Review Panel*
* Referred also to the Standing Committee on Agriculture and Industry and the Standing Committee on Indigenous Affairs
** Referred also to the Standing Committee on Agriculture and Industry and the Standing Committee on Economics
*** Referred also to the Standing Committee on Agriculture and Industry

Communications and the Arts Portfolio
- Bundanon Trust*
* Referred also to the Standing Committee on Communications and the Arts

Environment Portfolio
- Australian National Botanic Gardens
- Australian Renewable Energy Agency*
- Bureau of Meteorology
- Centre for Australian National Biodiversity Research
- Clean Energy Finance Corporation**
- Clean Energy Regulator*
- Climate Change Authority
- Department of the Environment***
- Director of National Parks
- Great Barrier Reef Marine Park Authority
- Sydney Harbour Federation Trust
- Wet Tropics Management Authority
* Referred also to the Standing Committee on Agriculture and Industry
** Referred also to the Standing Committee on Economics
*** Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Economics, the Standing Committee on Indigenous Affairs, the Standing Committee on Infrastructure, Transport and Cities and the Joint Standing Committee on the National Capital and External Territories

Foreign Affairs and Trade Portfolio
- Tourism Australia*
* Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Economics and the Joint Standing Committee on Foreign Affairs, Defence and Trade

Health Portfolio
- Australian Radiation Protection and Nuclear Safety Agency*
* Referred also to the Standing Committee on Health

**Industry, Innovation and Science Portfolio**
- Snowy Hydro Limited*

- Referred also to the Standing Committee on Agriculture and Industry

**Prime Minister and Cabinet Portfolio**
- Department of the Prime Minister and Cabinet*

  * Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Economics, the Standing Committee on Education and Employment, the Standing Committee on Indigenous Affairs, the Standing Committee on Infrastructure, Transport and Cities and the Standing Committee on Social Policy and Legal Affairs

**Standing Committee on Health**

**Health Portfolio**
- Australian Aged Care Quality Agency
- Australian Commission on Safety and Quality in Health Care
- Australian Institute of Health and Welfare*
- Australian National Preventive Health Agency
- Australian Radiation Protection and Nuclear Safety Agency* *
- Australian Sports Anti-Doping Authority
- Australian Sports Commission
- Australian Sports Foundation Ltd
- Cancer Australia
- Department of Health***
- Food Standards Australia New Zealand
- Gene Technology Regulator****
- Independent Hospital Pricing Authority
- National Acoustics Laboratories
- National Blood Authority
- National E-Health Transition Authority
- National Health and Medical Research Council
- National Health Funding Body
- National Health Funding Pool Administrator
- National Health Performance Authority
- National Industrial Chemicals Notification and Assessment Scheme
- National Mental Health Commission
- National Serology Reference Laboratory, Australia
- Organ and Tissue Authority
- Private Health Insurance Ombudsman
- Professional Services Review

  * Referred also to the Standing Committee on Social Policy and Legal Affairs

  ** Referred also to the Standing Committee on the Environment
*** Referred also to the Standing Committee on Economics and the Standing Committee on Indigenous Affairs

**** Referred also to the Standing Committee on Agriculture and Industry and the Standing Committee on Social Policy and Legal Affairs

**Industry, Innovation and Science Portfolio**

Australian Nuclear Science and Technology Organisation*

* Referred also to the Standing Committee on Agriculture and Industry and the Standing Committee on Education and Employment

**Social Services Portfolio**

Australian Hearing

Australian Institute of Family Studies* Department of Human Services** Department of Social Services** National Disability Insurance Agency Office of the Aged Care Commissioner*

* Referred also to the Standing Committee on Social Policy and Legal Affairs

** Referred also to the Standing Committee on Economics, the Standing Committee on Education and Employment, the Standing Committee on Indigenous Affairs and the Standing Committee on Social Policy and Legal Affairs

**Standing Committee on Indigenous Affairs**

**Agriculture and Water Resources Portfolio**

Australian Fisheries Management Authority (Torres Strait Protected Zone Joint Authority)*

Statutory Fishing Rights Allocation Review Panel*

* Referred also to the Standing Committee on Agriculture and Industry and the Standing Committee on Education and Employment

**Attorney-General's Portfolio**

Australian Human Rights Commission (Aboriginal and Torres Strait Islander Social Justice)*

National Native Title Tribunal**

* Referred also to the Standing Committee on Social Policy and Legal Affairs and the Joint Standing Committee on Foreign Affairs, Defence and Trade ** Referred also to the Standing Committee on Social Policy and Legal Affairs

**Communications and the Arts Portfolio**

Department of Communications and the Arts (regarding Indigenous programs)*

* Referred also to the Standing Committee on Communications and the Arts and the Standing Committee on Economics

**Education and Training Portfolio**

Australian Institute of Aboriginal and Torres Strait Islander Studies* Department of Education and Training (regarding Indigenous matters)*

* Referred also to the Standing Committee on Education and Employment

**Environment Portfolio**

Department of the Environment (regarding indigenous programs)*

* Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Economics, the Standing Committee on the Environment, the Standing Committee on Infrastructure, Transport and Cities and the Joint Standing Committee on the National Capital and External Territories

**Health Portfolio**

Department of Health (regarding Indigenous programs)*
General Practice Education and Training Limited (regarding Indigenous health)**
* Referred also to the Standing Committee on Economics and the Standing Committee on Health
**Referred also to the Standing Committee on Education and Employment

Prime Minister and Cabinet Portfolio
Aboriginal Hostels Limited
Aboriginal Land Commissioner
Anindilyakwa Land Council
Central Land Council
Department of the Prime Minister and Cabinet (regarding Indigenous matters)*
Indigenous Business Australia**
Indigenous Land Corporation
Northern Land Council
Office of the Registrar of Indigenous Corporations
Office of Township Leasing
Outback Stores Pty Ltd
Tiwi Land Council
Torres Strait Regional Authority
Wreck Bay Aboriginal Community Council
* Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Economics, the Standing Committee on Education and Employment, the Standing Committee on the Environment, the Standing Committee on Infrastructure, Transport and Cities and the Standing Committee on Social Policy and Legal Affairs ** Referred also to the Standing Committee on Education and Employment

Social Services Portfolio
Department of Human Services (regarding Indigenous matters)* Department of Social Services (regarding Indigenous Programs)*
* Referred also to the Standing Committee on Economics, the Standing Committee on Education and Employment, the Standing Committee on Health and the Standing Committee on Social Policy and Legal Affairs

Standing Committee on Infrastructure, Transport and Cities

Environment Portfolio
Department of the Environment*
* Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Economics, the Standing Committee on the Environment, the Standing Committee on Indigenous Affairs and the Joint Standing Committee on the National Capital and External Territories

Industry, Innovation and Science Portfolio
Commonwealth Scientific and industrial Research Organisation* Department of Industry, innovation and Science**
Innovation Australia*
* Referred also to the Standing Committee on Agriculture and Industry ** Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Economics and the Standing Committee on Education and Employment
Foreign Affairs and Trade Portfolio
  Export Finance and Insurance Corporation*
  * Referred also to the Standing Committee on Communications and the Arts and the Joint Standing Committee on Foreign Affairs, Defence and Trade

Infrastructure and Regional Development Portfolio
  Airservices Australia
  Australian Maritime Safety Authority
  Australian Rail Track Corporation Limited
  Australian Transport Safety Bureau
  Civil Aviation Safety Authority
  Department of Infrastructure and Regional Development*
  Infrastructure Australia
  International Air Services Commission
  Moorebank Intermodal Company Limited
  National Capital Authority**
  National Transport Commission
  * Referred also to the Standing Committee on Economics and the Joint Standing Committee on the National Capital and External Territories
  ** Referred also to the Joint Standing Committee on the National Capital and External Territories

Prime Minister and Cabinet Portfolio
  Department of the Prime Minister and Cabinet* Digital Transformation Office
  * Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Economics, the Standing Committee on Education and Employment, the Standing Committee on Environment, the Standing Committee on Indigenous Affairs and the Standing Committee on Social Policy and Legal Affairs

Treasury Portfolio
  Australian Energy Regulator*
  *Referred also to the Standing Committee on Economics

Standing Committee on Social Policy and Legal Affairs

Attorney-General’s Portfolio
  Administrative Appeals Tribunal*
  Attorney-General’s Department
  Australian Crime Commission
  Australian Commission for Law Enforcement Integrity
  Australian Emergency Management Institute
  Australian Federal Police
  Australian Government Solicitor (abolished 1 July 2015)
  Australian Human Rights Commission**
  Australian Financial Security Authority
  Australian Institute of Criminology
Australian Institute of Police Management
Australian Law Reform Commission
Australian Security Intelligence Organisation
Australian Transaction Reports and Analysis Centre (AUSTRAC)
Classification Board and Classification Review Board***
Commonwealth Director of Public Prosecutions
CrimTrac
Family Court of Australia
Family Law Council
Federal Circuit Court of Australia
Federal Court of Australia
High Court of Australia
National Archives of Australia***
National Native Title Tribunal****
Office of the Australian Information Commissioner
Office of Parliamentary Counsel
* Referred also to the Standing Committee on Education and Employment and the Joint Standing Committee on Migration
** Referred also to the Standing Committee on Indigenous Affairs and the Joint Standing Committee on Foreign Affairs, Defence and Trade
*** Referred also to the Standing Committee on Communications and the Arts
**** Referred also to the Standing Committee on Indigenous Affairs

Communications and the Arts Portfolio
Copyright Tribunal of Australia*
* Referred also to the Standing Committee on Communications and the Arts

Education and Training Portfolio
Fair Work Commission*
Workplace Gender Equality Agency*
* Referred also to the Standing Committee on Education and Employment

Health Portfolio
Australian Institute of Health and Welfare* Gene Technology Regulator**
* Referred also to the Standing Committee on Health
** Referred also to the Standing Committee on Agriculture and Industry and the Standing Committee on Health

Prime Minister and Cabinet Portfolio
Commonwealth Ombudsman (Law Enforcement Ombudsman)*
Department of the Prime Minister and Cabinet** Inspector-General of Intelligence and Security***
Office of the Official Secretary to the Governor-General Office of the Privacy Commissioner
* Referred also to the Standing Committee on Communications and the Arts, the Standing Committee on Economics, the Standing Committee on Education and Employment, the Joint Standing Committee on Foreign Affairs, Defence and Trade and the Joint Standing Committee on Migration

CHAMBER
** Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Economics, the Standing Committee on Education and Employment, the Standing Committee on the Environment, and the Standing Committee on Indigenous Affairs and the Standing Committee on Infrastructure, Transport and Cities

*** Referred also to the Joint Standing Committee on Foreign Affairs, Defence and Trade

** Social Services Portfolio**

Australian Institute of Family Studies*
Department of Human Services**
Department of Social Services**
National Disability Insurance Scheme Launch Transitional Agency
Office of the Aged Care Commissioner*
Social Security Appeals Tribunal (abolished 1 July 2015)***
* Referred also to the Standing Committee on Health

** Referred also to the Standing Committee on Economics, the Standing Committee on Education and Employment, and the Standing Committee on Health and the Standing Committee on Indigenous Affairs

*** Referred also to the Standing Committee on Education and Employment

** Standing Committee on Tax and Revenue**

** Finance Portfolio**

Commonwealth Superannuation Corporation* Department of Finance*
Future Fund Management Agency*
* Referred also to the Standing Committee on Economics and the Joint Standing Committee on Foreign Affairs, Defence and Trade

** Referred also to the Standing Committee on Economics

** Treasury Portfolio**

Auditing and Assurance Standards Board*
Australian Accounting Standards Board*
Australian Bureau of Statistics*
Australian Office of Financial Management*
Australian Taxation Office*
Board of Taxation
Commonwealth Grants Commission*
Financial Reporting Council*
Inspector-General of Taxation
Productivity Commission*
Tax Practitioners Board
The Treasury*
* Referred also to the Standing Committee on Economics

** Joint Standing Committee on Electoral Matters**

** Finance Portfolio**

Australian Electoral Commission
Joint Standing Committee on Foreign Affairs, Defence and Trade

**Attorney-General’s Portfolio**
- Defence Force Discipline Appeal Tribunal
- Australian Human Rights Commission*
  * Referred also to the Standing Committee on Indigenous Affairs and the Standing Committee on Social Policy and Legal Affairs

**Defence Portfolio**
- Army Amenities Fund Company
- Army and Air Force Canteen Service (Frontline Defence Services)
- Australian Civil Military Centre
- Australian Military Forces Relief Trust Fund
- Australian Strategic Policy Institute Limited
- Australian War Memorial
- Defence Housing Australia
- Department of Defence
- Department of Veterans' Affairs
- Director of Military Prosecutions
- Inspector-General ADF
- Judge Advocate General
- Military Rehabilitation and Compensation Commission
- Military Superannuation and Benefits Scheme
- Repatriation Commission
- Repatriation Medical Authority
- Royal Australian Air Force Veterans' Residences Trust Fund
- Royal Australian Air Force Welfare Trust Fund
- Royal Australian Navy Central Canteens Board
- Royal Australian Navy Relief Trust Fund
- Royal Australian Air Force Welfare Recreational Company
- Special Air Services Trust Fund
- Veterans’ Review Board

**Employment Portfolio**
- Commonwealth Superannuation Corporation (Defence Force Retirement and Death Benefits Scheme)*
  * Referred also to the Standing Committee on Economics and the Standing Committee on Tax and Revenue

**Finance Portfolio**
- ASC Pty Ltd (Australian Submarine Corporation)

**Foreign Affairs and Trade Portfolio**
- Australian Centre for International Agricultural Research*
- Australia-China Council
- Australia-India Council
Australia-Indonesia Institute
Australia-Japan Foundation
Australia-Korea Foundation
Australia-Malaysia Institute
Australia-Thailand Institute
Australian Safeguards and Non-Proliferation Office (including the Australian Safeguards Office, the Chemical Weapons Convention Office and the Australian Comprehensive Test Ban Office)
Australian Trade Commission (Austrade)
Council for Australian-Arab Relations
Council on Australian-Latin American Relations
Department of Foreign Affairs and Trade**
Export Finance and Insurance Corporation***
Tourism Australia****
* Referred also to the Standing Committee on Agriculture and Industry
** Referred also to the Standing Committee on Economics
*** Referred also to the Standing Committee on Communications and the Arts and the Standing Committee on Infrastructure, Transport and Cities
**** Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on Economics, and the Standing Committee on the Environment

Immigration and Border Protection Portfolio
Department of Immigration and Border Protection*
* Referred also to the Standing Committee on Economics and the Joint Standing Committee on Migration

Prime Minister and Cabinet Portfolio
Commonwealth Ombudsman (Defence Force Ombudsman)*
Defence Force Remuneration Tribunal**
Inspector-General of Intelligence and Security***
Office of National Assessments
* Referred also to the Standing Committee on Communications and the Arts, the Standing Committee on Economics, the Standing Committee on Education and Employment, the Standing Committee on Social Policy and Legal Affairs and the Joint Standing Committee on Migration
** Referred also to the Standing Committee on Education and Employment
*** Referred also to the Standing Committee on Social Policy and Legal Affairs

Joint Standing Committee on Migration
Attorney-General’s Portfolio
Administrative Appeals Tribunal (Migration and Refugee Division)*
* Referred also to the Standing Committee on Education and Employment and the Standing Committee on Social Policy and Legal Affairs

Immigration and Border Protection Portfolio
Australian Customs and Border Protection Service (abolished 1 July 2015)
Department of Immigration and Border Protection*
Office of the Migration Agents Registration Authority (part of the Department of
Immigration and Border Protection from 1 July 2015)
Migration Review Tribunal (abolished 1 July 2015)
Refugee Review Tribunal (abolished 1 July 2015)
* Referred also to the Standing Committee on Economics and the Joint Standing Committee on
Foreign Affairs, Defence and Trade
Prime Minister and Cabinet Portfolio
Commonwealth Ombudsman (Immigration Ombudsman)*
* Referred also to the Standing Committee on Communications and the Arts, the Standing Committee
on Economics, the Standing Committee on Education and Employment, the Standing Committee on
Social Policy and Legal Affairs and the Joint Standing Committee on Foreign Affairs, Defence and Trade
Joint Standing Committee on the National Capital and External Territories
Environment Portfolio
Department of the Environment (Australian Antarctic Division and matters relating to the Australian
Antarctic and Sub-Antarctic Territories)*
* Referred also to the Standing Committee on Agriculture and Industry, the Standing Committee on
Economics, the Standing Committee on the Environment, the Standing Committee on Indigenous
Affairs and the Standing Committee on Infrastructure, Transport and Cities
Infrastructure and Regional Development Portfolio
Department of Infrastructure and Regional Development (matters regarding Australia’s Territories)*
National Capital Authority**
** Referred also to the Standing Committee on Economics and the Standing Committee on
Infrastructure, Transport and Cities

MATTERS OF PUBLIC IMPORTANCE

Broadband

The SPEAKER (15:14): I have received a letter from the honourable member for
Blaxland proposing that a definite matter of public importance be submitted to the House for
discussion, namely:

The Prime Minister’s second rate NBN and his cuts to innovation undermining the jobs of the future.
I call upon those members who approve of the proposed discussion to rise in their places.

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

Mr CLARE (Blaxland) (15:15): In his first press conference as Prime Minister, Malcolm
Turnbull said that he wanted to take the same approach to governing Australia as he did to the
NBN. That statement alone should fill the people of Australia with dread. There is a myth in
this place perpetuated by Liberal MPs and National Party MPs that somehow the Prime
Minister has fixed the NBN. That is a myth and we exposed some of that in question time
today. This afternoon, I want to take you through a catalogue of more of the mistakes that the
Prime Minister has made on the NBN, the litany of promises that he has broken. The first and the biggest of those is cost.

As we learned in question time today, the NBN is now double what the Prime Minister said it would be. He promised before the last election that he could build a second-rate version of the NBN for $29½ billion. That has now jumped to $56 billion. We got the corporate plan a couple of weeks ago and it says it is not $29½ billion, that it has jumped to $56 billion. In other words, it has almost doubled what the Prime Minister promised. Now, people usually do not get promoted for things like that. You do not get promoted for blowing your budget by 100 per cent. But that is what has happened here, that is what has happened with this Prime Minister.

The other big thing that he promised and that he has now broken is that he could build the NBN, a second-rate version of the NBN, by the end of next year. He promised that everyone in Australia would have access to 25 megabits per second by the end of 2016. That has blown out as well, and we heard the Prime Minister almost admit that in question time today. Instead of three years to give everybody access to the NBN, it will now be seven years. In other words, the time to build it has more than doubled. So the cost has doubled and the time to build the NBN has more than doubled. There are lots of other mistakes and broken promises.

The Prime Minister promised that the rate of return he would deliver on the NBN would be 5.3 per cent. That is now down to as little as 2.7 per cent. He also promised that Australians with the worst broadband across the country would get the NBN first. Last week, the government released their three-year rollout plan for the NBN and that shows the 7½ million homes and businesses they say will get the NBN in the next three years. But what it also reveals is this: there are almost half a million homes, 450,000 homes, that have been identified by this government as having the worst broadband in the country that are still not on the list, that will not get it first, that will get it last. They will not get the NBN by 2018; it will be more like 2019 or 2020. It is just broken promise after broken promise—breaking promises like plates at a Greek wedding.

The extraordinary irony in all of this is that Tony Abbott, the former Prime Minister, broke all these promises, doubled the deficit and got the sack. Malcolm Turnbull, the new Prime Minister, has also broken a raft of promises, doubled the cost of the NBN, doubled the time that it will take to build it, halved the rate of return on it and more than halved the speed that people will get, and he got promoted.

In question time today, the Prime Minister talked about what is happening in other parts of the world. But what he did not mention is this: AT&T and Verizon, the two big telcos in the United States, are rolling out more fibre. Verizon, the second biggest telco in the United States, is shutting down their whole copper network and replacing it with fibre. In our region, South Korea, Japan and Singapore all have fibre networks. Even across the ditch in New Zealand, they are not rolling out fibre to the node anymore; there are rolling out fibre to the premises.

Two years ago, we were ranked 30th in the world for broadband speed. We are now ranked 47th in the world for broadband speed. We are behind most of Asia, behind most of Europe, behind the United States and behind Canada. We are even behind Romania, Russia, Slovakia and Poland. They are all ahead of us. The world is changing and so are we, though we are changing back, from fibre to copper.
I mentioned the three-year rollout plan that was released on Friday. Watch this, Mr Speaker, because this is another broken promise in the making. To understand why I think this is a broken promise, you only have to look at what it looks like on a graph. If you look at this graph for the rollout plan I am holding, you can see that for the next 12 months it is smooth and low, right up until the next election! Then, suddenly, it ramps up at this incredible speed, a ramp that Evel Knievel could not jump!

Mr Husic: What about Dale Buggins?

Mr CLARE: Or Dale Buggins, for that matter. To understand exactly how big this ramp is, the government are saying that they can deliver the NBN to more than half of Australia in just two years. More than half of Australia, apparently, is going to get the NBN in just two years if you vote for Malcolm Turnbull. It is not realistic. It is not achievable. It is not just me who is saying that; even the new minister, Mitch Fifield, has described it as 'ambitious'. But, more importantly, Ziggy Switkowski, the chairman of nbn co, has described it as 'heroic'. The Australian Financial Review from Monday, 19 October, says:

National Broadband Network chairman Ziggy Switkowski has warned that it will take a 'heroic' effort for the project to be made available to more than 11 million homes before 2020 …

So you have the minister who says it is 'ambitious', you have the chairman who says it is 'heroic' and leaked documents from nbn co this week show that an internal memo went round to staff last week saying they are already behind schedule. They have not even hit the ramp-up yet!

Remember that all of this depends on the state of the copper. As the corporate plan revealed on page 51 only a couple of weeks ago, they still do not know what the quality of the copper is. Page 51 says:

The quality of this network is not fully known.

They have bought back the old copper network that John Howard sold last century and they still do not know how bad it is. They call this due diligence!

Worse than that, contractors I have spoken to, asking how bad the copper network is, have told me that nbn's working assumption is that 10 per cent of the copper pairs in the fibre-to-the-node areas will need to be fixed. But in places like Newcastle and the Central Coast, closer to 90 per cent of the copper pairs have needed work. In some places, the copper was so bad that they had to replace old copper with new copper. One contractor told me that in Newcastle and on the Central Coast 10 per cent to 15 per cent of the copper lines are having lengths replaced.

This is just the tip of the iceberg because, as we found out in estimates last night, nbn has ordered more copper. It has ordered 1.8 million metres of copper. To put it another way, it has ordered 1,800 kilometres of copper. That is enough copper to connect Australia to New Zealand! The Prime Minister says that John Key, the Prime Minister of New Zealand, is his role model. But what is John Key doing? He is not rolling out fibre to the node. He is not rolling out more copper. He is rolling out fibre to the premises. What are we doing? We are going back to the node.

Hollywood could not have written a script like this. We have been told that today, 21 October 2015, is Back to the Future day—the day Michael J Fox's character, Marty McFly, landed in the future. What did Hollywood imagine he would find? It imagined flying cars and
flying skateboards. What do we have instead? We have a government that is buying almost 2,000 kilometres of copper.

It is a myth that this Prime Minister has fixed the NBN. He did not become Prime Minister because of what he has done on the NBN; he became Prime Minister in spite of it. He has doubled what he said it would cost. He has doubled the time it will take and halved the internal rate of return on this project as well. Now we find out that he has bought almost 2,000 kilometres of copper. It is just appalling. The idea that he has fixed the NBN is just a myth. (Time expired)

Mr FLETCHER (Bradfield—Minister for Territories, Local Government and Major Projects) (15:25): The relevant movie, I would suggest, is not Back to the Future but Groundhog Day, because we seem to consistently have the shadow minister having the chutzpah to stand up here on this issue despite being from the party which produced a car crash when it came to the NBN. He is like the man at the car crash who is berating the emergency services when they turn up to fix his car for not fixing it quickly enough. Let's be clear: the reason that the NBN presented a policy challenge to an incoming Abbott and now Turnbull government is that we inherited one of the most disastrous pieces of public policy execution in the history of the Commonwealth.

Let's just remind ourselves of a few key facts that demonstrate the first proposition I want to articulate this afternoon, which is that Labor's NBN under the Rudd-Gillard-Rudd government was hopelessly mismanaged and poorly planned. We had a sweeping but ill-conceived promise from Messrs Rudd, Conroy, Tanner and Swan in April 2009 that it was going to be a 100-megabit-per-second network and it was going to cost $43 billion. According to the then Prime Minister, it was going to be such a great investment that they were going to fund it through Aussie infrastructure bonds and he urged mums and dads to go out and invest in these bonds, one of the most woefully inappropriate, negligent pieces of financial advice that has ever been given.

We were told at the time that there was still going to be substantial private sector investment. We then had the implementation study commissioned from McKinsey and KPMG. It came back nearly a year later. The report was released the Sunday before the budget in an attempt to disguise it from public scrutiny. That report said, 'There is no prospect of the private sector touching this with a barge pole,' and it suddenly turned out that the Commonwealth was going to have to pay for the whole thing.

What did those opposite achieve by the time they left government in September 2013? They achieved a woeful performance. After 4½ years, how many Australians were in a position to connect to the NBN if they chose to do so? Barely over 300,000 premises were in that position after 4½ years. Labor flailed around in the most incompetent and disorganised fashion when it came to the NBN. There was virtually nobody on the board who had any experience in the telecommunications industry and private sector. Do not even ask the question of whether there was anybody in the Labor Party who had any experience in the private sector and the telecommunications industry. That would be a futile question.

What we have had from Labor is incompetent execution. The challenge for the incoming Minister for Communications, who is now the Prime Minister, was to turn that around and to turn it into a credible, deliverable, executable and achievable plan. It was to deliver on the rollout and start to get Australians connected to the NBN. The then Minister for
Communications, the current Prime Minister, did a magnificent job in dealing with that challenge.

I mentioned before that barely over 300,000 premises could be connected after 4½ years. By the way, those opposite managed to spend over $6 billion in public money during that period. There is nobody who can better the Labor Party when it comes to vaporising public money at a very rapid speed. What have we done in two years? The number of premises that can now connect is 1.32 million. That is nearly four times as many in two years after Labor got to the, frankly, pathetic number of just over 300,000 in 4½ years. It is a mystery why they even thought it was a good idea to bring up this issue in an MPI debate today.

We are not stopping at 1.2 million, because there is an ambitious target to connect 12 million premises. We are quite frank and open with the Australian people about the scale of the challenge. On the opposite side of the chamber they seem to think it is somehow curious that we should be honest and open with the Australian people about how this is an extremely challenging infrastructure project. But it is, and we are seeking to be very open and transparent about that. Every week the rollout numbers are published on the company's website, something that we never saw from the previous government. Their principal interest in the NBN was in securing photo opportunities—and they certainly generated a lot of those—but substantial, tangible and measurable performance demonstrated by what was published on the company's website was nowhere to be seen.

By contrast, last Friday we announced a credible three-year rollout plan under which, by mid-2018, some 7.5 million premises around Australia will either be able to connect or will be in an area where construction has commenced. That is a plan which has been developed by an experienced board and experienced management. Of course, we very largely changed both board and management to make sure we had capable, competent, experienced people—something, bizarrely, Labor never thought to do when they were in government—and we are getting on with the job of delivering the national broadband network.

Let me make a critical point as I come to the third theme I want to mention this afternoon, which is the increasingly hysterical claims we are now getting from the shadow minister. For example, we have this hysterical claim that there is some kind of problem with the copper because NBN has purchased $14 million worth of copper from its supplier, Prysmian. Let me explain some basics about how a telecommunications network works. There are pillars along the streets all around suburban Australia. We are going to install what are called nodes, and they are going to be near, but not exactly next to, the pillars. Therefore, there needs to be a copper connection from the pillar to the node. That is how a fibre-to-the-node network works. That is how a fibre-to-the-node network has always worked. You need to make sure there is a copper connection between the existing pillar and the new node. When you work out the total number of the many thousands of nodes around Australia that need to be connected to the many thousands of pillars, it turns out that that is quite a bit of copper. NBN is buying that copper as part of the ordinary job of delivering this network, consistent with the plan that we have carefully developed and explained to the Australian people.

Let's turn to the even more extraordinary and frankly ludicrous claim from the shadow minister that what we need to do is return to a plan under which NBN will be fibre all the way. On 14 October he said:

… if you vote for the Labor Party at the next election you will be voting for more fibre.
What an interesting suggestion! How has that been received by industry participants? What did the chief executive of M2, one of the major telcos in Australia, have to say about that? He said:

I think any further change in deployment model would be ill-advised … I wouldn't advocate for any change.

That is what the industry said. That is not politicians. That is industry participants in the telecommunications sector. What did the Australian Financial Review have to say about this brilliant new idea from the shadow minister. The Australian Financial Review had this to say:

Labor has no credibility in this area. The NBN as conceived under Rudd Labor turned an important piece of national infrastructure, running to a sensible timetable into a Kevin Rudd vanity project, with no real idea of the costs, that ran to a political schedule. It went from $4.7 billion in 2007, to $42 billion in 2009 to cost at least $56 billion today.

A lack of considered detail bedevilled the NBN under Labor. The fact the party doesn't want to give any details about its new plan—or more accurately, a reinstatement of the old NBN—and not talk about the cost, makes this policy look like the last: an expensive joke.

So it would seem that the new idea from the shadow minister about how Labor is going to deal with the NBN has not been well received by informed stakeholders, and the reason for that is pretty obvious. It is that, while the shadow minister presumed to stand up and complain about the cost of the NBN that the coalition is now rolling out, he neglected to mention that the cause was the chaotic basis on which Labor first introduced the NBN, which we have been left to fix up. He also neglected to acknowledge the obvious point that his plan is going to cost at least $30 billion more. Your objection is the cost of the plan, yet you now stand up and say, ‘We are proposing to spend at least $30 billion more.’ That is clearly inconsistent. And what about the fact that his plan is going to take six to eight years more to get the NBN rolled out to Australians?

The Turnbull government is getting on with the hard work of delivering an NBN. We do not say it is easy, but we have a credible plan. What we have from the opposition is deluded fantasy.

Mr HUSIC (Chifley) (15:35): That was fanciful, Minister. On the one hand he complains that they do not have any details of the plan. Yet he can say with some confidence that it is going to take longer and cost more. He has no idea what he is talking about. He has absolutely no basis to make those claims, but he puts it forward because making up stuff is all they are used to doing about the NBN.

For example, today we had the Prime Minister claiming, when it came to the NBN, ‘We wanted to think about a different way. We wanted to come up with a better plan. We wanted to come up with a different technological solution.’ No. After the coalition had a track record of 19 failed plans and saw the way the public embraced the notion of finally getting a broadband network that would work for them, regardless of whether they were in the city or in the regions, the coalition realised that they had to cuddle up to the NBN. They had to seem like they were supporting the NBN. They finally recognised they could not destroy it in the way that Tony Abbott wanted to. They had to make out like they were the friend of the NBN. So what did they do? The Prime Minister did what he does best. He white-anted the NBN. He made all sorts of claims that he would be able to deliver the NBN better than anyone else, that...
he could deliver it faster, that he could deliver it cheaper, that he could deliver it more efficiently.

He is the fibre Svengali, the Rasputin of the rollout, because, when you look at every claim and the sweet promises he made before the election, where are they?

He said, for example, 'Twenty-five megabits per second by 2016.' Did he do that? No, he did not. And it only took him a short space of time to announce that he could not do it. He said he would deliver 25 megabits per second by 2016. Did he do it? No. He said he would do it cheaper. Did he do it? No. He said he would do it faster, he would deliver it to us quicker. Did he do it? No.

Mrs Griggs interjecting—

Mr HUSIC: The member for Solomon complains. Member for Solomon, you are the beneficiary of Labor's NBN. You have more premises that have fibre to the premises, courtesy of Labor, than other Liberal electorates will get. There are more Liberal electorates that will fail to get the quality of service that your constituents got, courtesy of Labor, because of your defunct plan. So do not interject on us. You should go to your colleagues and explain to them why they are getting a lesser service than you are getting. So do not pipe up here and say that.

By the way, after that terrific track record—failed to deliver the speed, failed to deliver it cheaper, failed to deliver it on time—look at the quotes are coming in. I will read this one:

So what has Turnbull yet done that should give a conservative heart?

Sure, he's promising competent economic management, but after the hash he's made of the National Broadband Network—now even more expensive and more delayed—I need more than a wink and nod.

I wonder who said that? Andrew Bolt. Condemned even by your own over your management of the National Broadband Network. What a disgrace that they are holding up the Prime Minister's mismanagement of the NBN as a sign of things to come—and they are right. What is his answer? Now that the project is being delivered—more expensive, slower, failing to deliver the speeds—what is his answer? When other countries are confronted with the problem of how to modernise their broadband, what do they say? 'We'll use copper'—said no country ever! Singapore—fibre; South Korea—fibre; Japan—fibre; Hong Kong—fibre; New Zealand—fibre. What are we doing? Buying 1,800 kilometres of copper. I know you have discovered start-ups now, but I did not think you were resuscitating the Copperart franchise! I mean, 1,800 kilometres of copper is your answer to modernising the network? You are a joke. People know you are a joke. You are reverting back to form, stuffing up broadband like you did the last time you were in government, with 19 failed plans, making a mess. But the problem is: people in the community pay; the nation will pay. You say you are about innovation yet you have deformed the very platform infrastructure required for people to drive innovation in this country, but you are pretending to be the friend of broadband. It is a disgrace.

Mr BROAD (Mallee) (15:40): It gives me great pleasure to talk about the Prime Minister's first-rate NBN and the innovative jobs for the future, because it was quite evident in question time that the opposition were bowling underarm balls and he was smashing them for six every time, because never before have we actually had a Prime Minister who
understands how to build a national broadband network like Malcolm Turnbull does. We are
very blessed with his full knowledge of this project.

Regional Australians are innovative, and we need improving communications. Investment
in communications does drive productivity—they are right on that—and productivity in
country towns. If there is something I know about country people, it is that they really are
innovative and they really stand to benefit from communications technology. Of course,
the challenge was that there were only five towns in the whole of the electorate of Mallee that
were flagged to get anything under Labor's NBN. Labor's initial rollout had towns of under
500 premises getting zip, nothing at all. You want to talk about rolling out an innovation and
talk about things that are going to be of benefit, but only five towns in a third of the state of
Victoria were going to get it.

Then the five that were flagged to get it had to wait for a little while. They were promised
it. It was coming; it was coming. It reminded me of when I was on a date once. I was on a
date when I was a young man, with a girl who was going to come to dinner. I will admit to the
federal parliament that I was sitting there and waiting, all in anticipation because I had a hot
date, and it did not come to fruition. I sat there and it was like the towns in my electorate—
they were waiting. They were seeing the press releases but they were not seeing the build.

Then they got a song. What was the song? The song that became famous, the song that
became the motto for the Labor NBN, was *A Little Less Conversation*—'a little more action
please'. I will not sing it, because I would be doing a disservice to the parliament and I would
probably be asked to leave, but that was the thing that defined what Labor did under the NBN.
There was a little bit too much conversation and no more action. What we are trying to do is
build the NBN. That is what we are doing. If you look across the electorate of Mallee, we are
building it. We are not just about ideas. We are about administration. I think that is ultimately
what separates people on our side of the parliament from those on the other side of the
parliament. It is a great thing to have an idea—do not miss an idea—but it is quite another
thing to turn an idea into a reality. That is what we have got under Malcolm Turnbull as Prime
Minister, that is what we had under Malcolm Turnbull as Minister for Communications and
that is what we have got under Paul Fletcher in his portfolio—capable people who understand
what it is to turn an idea into a reality.

Let us have a look at the reality. Remember there were only going to be five towns under
the Labor NBN that were going to get it. These are the ones who have got the NBN now:
Pomonal, Quantong, Rainbow, Rupanyup, St Arnaud, Stawell, Warracknabeal, Watchem,
Wycheproof, Cohuna, Curlwaa, Halls Gap and Koondrook. Let us have a look at some of the
others where it is coming: Charlton, Buangor, Cabarita, Culgoa, Irymple, Merbein, Mildura,
Nhill, Euston, Robinvale, Swan Hill, Cohuna, Red Cliffs, Horsham, Dimboola, Donald,
Warracknabeal, St Arnaud, Ouyen, Kerang, Stawell, Edenhope. These are going to be
switched on in the next 12 months. This is going ahead. If you want to compare what is reality
to what is a dream, we are delivering the NBN. Let me name a few more: Kerang, Koondrook,
Tragowel, Robinvale, Cardross, Irymple, Merbein, Merbein South, Mildura East,
Nangiloc, Red Cliffs, Red Cliffs South. The list goes on.

We were only going to get five. Now we are going to have 48,000 houses across the
electorate of Mallee that will have NBN. The rest are going to have satellite. We are
delivering it. If you vote Labor you will wait longer. If you vote Labor you will pay more. If
you vote Labor you will not get any coverage in regional Victoria and certainly not in Mallee. We are the ones delivering it.

A little less conversation, a little more action please is what the electorate asked for. That is exactly what they are getting, under Prime Minister Malcolm Turnbull, in the delivery of this program. They know it. That is why you guys are in a whole world of trouble when the next election comes your way.

Ms MacTIERNAN (Perth) (15:45): We heard some great words of wisdom from Joe Hockey today. He acknowledged the quality of the NBN. He said this was a great plan that Labor had introduced. He did not go on and explain what happened next—that Malcolm Turnbull recognised it was a great plan as well. But, in order to get it through the Luddite, the former Prime Minister then Leader of the Opposition, he had to produce NBN-light. He had to produce a dumbed down 20th century version—totally rejected around the world—in order to get something up.

He went to that last election promising he would have it all in by 2016. He could not get a substantial amount of this dumbed down version rolled out by then, as our shadow minister has demonstrated, so clearly. He could not deliver on the cost. He also promised that he would be introducing this according to need, that those suburbs and towns and regions that had the lowest speeds and capacity would be the ones where this would be rolled out. That promise has been utterly betrayed in my electorate. We have been following this very closely because we have such diabolically low speeds, even though we are a relatively inner-city seat.

Those speeds on myBroadband, according to our surveys, overstate for many of our suburbs the real performance. We have suburbs like Bedford that get 7.45 megabits per second. That is a D on the myBroadband scale. We have Bayswater, with less, that is also a D. We have Noranda, also with a D. Right down the bottom is Embleton at 2.85 megabits; that is an E. Were any of these suburbs included in the rollout announced last week? Not one of those suburbs was included.

Let us have a look at some of the WA suburbs that were included in the rollout plan. There is Sorrento, which struggles to get by on 21.25 megabits per second with an A rating. We have Alfred Cove, which also gets an A rating. There is Watermans Bay with an A. Poor old Peppermint Grove—a struggling suburb—is getting a B, and Swanbourne is getting a B. They are getting theirs rolled out over the next two years. What is the defining characteristic of all those A and B suburbs? They happen to be in electorates occupied by the blue team. This is not the politics of envy. This is about the Prime Minister keeping his promise to get the NBN to those suburbs that need it first. It is about being fair and not using the ministerial whiteboard to carve up the pie.

I do ask myself: is there a reason other than the electoral fix? I suspect there could be, because the foundation myth of 'Turnbullistan' that we heard about today—that all Telstra's copper is shiny and bright—would be exposed if we went into any of those D and E suburbs to attempt to deliver broadband. We know they cannot even deliver voice services when it rains.

This is the copper network Telstra manager Tony Warren said, back in 2003, was at five minutes to midnight. This is the reality of our copper. Over a decade ago it was on its last legs and now we are pretending it can deliver 21st century download and upload speeds. We know
Mr HOGAN (Page) (15:50): The NBN has had a colourful history. We all know that. One colour that comes to mind is red. I say that because we know Stephen Conroy—a former minister, in the former Labor government, who had responsibility for the NBN, at one stage—said all television executives would wear red underpants on their heads if he told them to. I do not know what a psychoanalyst, like Sigmoid Freud, would have said about that. I do not know what underpants on heads means, if you want to use that as an analogy. I do not know what the colour red means either. But it certainly explains some thinking on the way he planned to design the NBN. It caused this government some headaches when the now Prime Minister took over the department.

Everyone in this country wants NBN. Everyone in this country wants fast broadband. It is important for our technological advancement, for our advancement as a commercial nation. Everyone is in agreement with that. We remember, at the very start—God help us—Kevin Rudd and Stephen Conroy sitting on a plane with a beer coaster defining and designing the program. That was the problem. The problem at the start was: who should deliver this? If you could go back to scratch—and the now Prime Minister has said this—you would tender this to telecommunications companies—to companies that look at this and do this, and that would do it in a cost-efficient way.

Then what would happen is that the government—as we should—would step in and cover areas and regions that were not commercially viable. It should have been done like that, as it is in most countries around the world—most countries around the world do it in exactly that way. But, no: the man who said that television executives should put red underpants on their heads had another thought process. He thought that the whole government should run and design the whole thing.

When the now Prime Minister took it over as the minister, he said that it was complete chaos. Obviously, he has cleaned up the whole department and got nbn running on the best commercial footing that he could. What does that mean? That means that just last Friday we saw the results of that coming to fruition. Residents in my region in the Northern Rivers of New South Wales are very excited because this program is running out into 2020, and already around 10,000 premises in my region have access or can have access to it via the wireless system. Many of them have already connected, which they are very excited about. Also, in around 2017 all my major regional centres will have fibre to the node connected.

Obviously, if you had fibre to the premises you would get faster speeds. No-one denies that. But, again, as a coalition government that always looks at taxpayer money and wants to be as prudent as we can, we are basically going to give a system that is going to run at about 80 to 85 per cent of the speed for about 40 per cent of the cost. That is a good deal. And the vast majority, if not all, of businesses, retail and households are going to be happy with those speeds. But, as we know, money is never a problem for the drunken sailors over there. They just spend it, because it is not theirs. They do not take into account that commercial or financial reality.

Just back to my community: I have been speaking to people this week from locations such as Alstonville and Wollongbar, which are going to be connected in early 2017 with fibre to the node. Evans Head and Coraki are also very excited. I was down there last weekend and
they are very happy. Lismore, Ballina and Grafton are all being connected around the 2017 mark. And what is very exciting for us is that fibre to the node works. It works for them. The cost is cheaper already for some major businesses and local council operatives, and for some of my state government colleagues.

We also have the Pacific Highway going through—another major piece of infrastructure—and already we are looking to attract businesses to live and work in our region once this is connected. We will go far and wide around the country to do that. We can now plan this because people now know when this is going to be connected. As you know, Mr Deputy Speaker Vasta—you are just up the road—the Northern Rivers is the most delightful place to live and work in the country. So we are going to attract more businesses to our region because of this. Thank you.

**Ms CLAYDON** (Newcastle) (15:55): The story of the nbn in the City of Newcastle could not be more different from the representations by members opposite today. I have pinched myself on a few occasions throughout this debate, just to see whether we were operating in parallel universes or not.

Under the Labor government, the City of Newcastle and my electorate of Newcastle were looking forward to every home and every business being connected to fibre to the premises. That was the promise under Labor. By the end of next year that would have been delivered—every home and every business underway. But, no! We had a change of government and Malcolm Turnbull came forward as our communications minister. And although John Key and Malcolm Turnbull think they are kind of besties now after their long weekend sleepover, their visions for the future could not be further apart. Even New Zealand, as we have heard, has long woken up to the fact that fibre to the premises is the way to go.

I can understand why members opposite are feeling somewhat confused and a little disorientated in this debate, because they have a Prime Minister who was, of course, the Minister for Communications for the couple of years that we are referring to. Now he is the Prime Minister. He has spent a couple of years trying to claw his way into that job. He finally got there and declared, 'I am a running a 21st century government here.' He just forgot to mention that he was utterly reliant on 19th century technology! So we have the 21st century government running with 19th century technology, trying to convince us all that all is well. Well, that is not going down too well in my electorate and I am pretty sure that it is not going down too well in many electorates across Australia.

Who would have thought when the Prime Minister said that he was interested in innovation and the jobs of the future that suddenly coppersmiths would be back as a main job of the future? The fact is that we have areas in a city like Newcastle—the second-oldest city in Australia—that are less than 30 minutes from the CBD and that have no access to broadband services whatsoever. They cannot even get an ADSL connection.

As the member for Perth pointed out, this government said, quite succinctly, that there was to be priority to areas that had poor quality and poor service. But those areas of my electorate had to mount massive community campaigns even to get this now Prime Minister to listen to the needs of their communities, and to get them added back onto a map that they used to be on. They were actually already part of this, getting the real nbn. They had to claw their way back onto this new map to get the second-rate nbn. And they are expected to be somewhat grateful for that nonetheless.
People do want access to high-speed broadband. There is absolutely no doubt about that. People understand very clearly that it is an enabler in our communities. It is the future for so many jobs. But also, right now, it is integral to school education and to people's workplaces. I have told this story on many occasions: I have a woman resident in the suburb of Thornton. She is an aged care nurse who has to put a dongle into her laptop and then climb onto the roof of her house to download the roster to find out what shift she is working on. She is in an area that only recently has been re-added onto the map so she has still got quite a while to wait before she has got any hope of seeing the NBN delivered into her region. Of the small businesses in my electorate, one has relocated to the Central Coast to get access to the big pipe. Another geologist in my region who does work for the mining companies actually has to load their maps onto USB and drive 2½ hours to the mine site because we do not have the technology. Anybody who thinks that is acceptable is living in an unreal world.

Mrs GRIGGS (Solomon) (16:00): The NBN is being delivered under the current coalition government despite inheriting Labor's mismanaged and appalling track record on the NBN. We have heard those guys opposite skyping about their achievements but the fact is that, under Labor, around $6.5 billion was spent to deliver broadband to two per cent of premises. At the last election, only 260,000 premises in fixed line areas were passed by the NBN. Today, that figure is more than one million premises that can access the NBN in a fixed line service area. Under Labor, there were only 51,000 users who were on fixed line wireless networks. Today, there are more than 570,000 fixed line subscribers.

An analysis of the all-fibre model showed that under Labor the NBN would not be finished until 2026 at the earliest, with peak funding to cost between $74 billion and $84 billion. This was just reckless and a gross mismanagement of taxpayers' money. Some of my colleagues have already pointed out the fact that an editorial recently in the Australian Financial Review said 'Labor has no credibility in this area' and then further described Labor's plan for the NBN as 'an expensive joke'—a very expensive joke indeed.

We heard some of those opposite say that they have got poor NBN and have had no broadband for more than a decade. I am sure that you will agree, Mr Acting Deputy Speaker Vasta, that is pretty disastrous in the middle of a technological revolution. Innovation and the ability to prosper in the digital economy would suffer under Labor. This is completely and utterly unacceptable and I am glad that, at the last election, Labor's expensive joke was destroyed.

Now in contrast, under the coalition's plan brought to the table, the NBN remains on track to be completed in 2020. This is six to eight years earlier and $30 billion less than what Labor had proposed. This is by no means second-rate as they suggest opposite. This is just how you run economically responsible government and there is no compromise on quality. Under the coalition government's plan, we make use of the existing copper and cable infrastructure running into homes and why wouldn't you? This method means that the NBN can be completed far sooner and for far less taxpayers' money. As I said previously, the coalition is on track and has estimated that the NBN will be accessible or have construction underway to 72,000 homes and businesses by September 2018.

I would like to give a couple of examples from my electorate. The NBN is well and truly underway. My constituents are very happy and they are very excited about the prospects of the completion and of being connected. As at to October 2015 we have: 37,248 premises
ready-for-service; 30,354 premises that are serviceable; and 12,646 premises that have been activated across Alawa, Anula, Bayview, Brinkin, Casuarina, Darwin City, Driver, Durack, East Arm, East Point, Eaton, Fannie Bay, Jingili, Karama, Larrakeya, Leanyer, Ludmilla, Lyons, Malak, Marlow Lagoon, Marrara, Moyle, Nakara, Rosebery, Stuart Park, The Gardens, The Narrows, Tiwi, Virginia, Wagaman, Wangury, Woolner, Wulagi and Yarrawonga. There are 10,400 premises where build is underway, cutting across areas such as: Bakewel, Berrimah, Coconut Grove, Coonawarra, Hidden Valley, Holtz, Knuckey Lagoon, Millner, Nightcliff, Pineland, Rapid Creek, Rosebery and Winnellie.

Those who are already reaping the benefits of their NBN connection have told me of their experience. For example, Vanessa from Bayview told me about the ease with which NBN was connected to her house. She said that she went into a Telstra store and, at the end of that three weeks, she had NBN connected. (Time expired)

Ms O’NEIL (Hotham) (16:05): It is with some envy, to be honest, that I hear these stories from the other side of the chamber about the lavish impact that the NBN is having on households in the electorates of those opposite because the story of my electorate, like the member for Newcastle has described, could not be more different. I want to tell you about a constituent of mine named David, who contacted me in a state of extreme agitation about six months ago. This person is a father of two, is an IT professional and had just moved into a house in Heatherton. He was having trouble with internet connectivity.

He was not complaining because he did not have access to superfast broadband or the NBN. He was not complaining because he did not have access to ADSL2+. He was complaining because he did not have internet access at all. This is an IT professional with two children who were at school, for whom internet is a critical part of their education, and this is a person who does not live in a remote area of the country. This is not someone located in the middle of the desert; this is someone who lives in right in the heart of the second-biggest city in this country. So what we have is a major problem on our hands.

I am glad that the member for Solomon is happy with what has happened with her electorate. I would point out that most of the work that is connecting her constituents to the National Broadband Network happened under Labor. In the two years that the coalition has been in government, not a single additional person has been connected to the NBN in the seat of Hotham. The only people who are connected to the NBN are those in a small section of Springvale South, and they were connected to the NBN under a Labor government.

It is not just individuals in my electorate that are concerned about the really poor state of internet in my area. I received in July a letter from seven municipalities in Melbourne's south-east. Collectively these councils govern $63 billion in economic impact in my city, and they wrote me the most extraordinary letter talking about a study that they have conducted in the south-eastern suburbs of Melbourne which shows that 85 per cent of these businesses in this region—many of which are high-end manufacturing businesses that are struggling to convert from the old economy to the new economy—are today relying on ADSL2+. This is not the sort of infrastructure and this is not the sort of technology that is going to see us capture the jobs of the future that the Prime Minister speaks about so excitedly.

There is a much broader economic impact. We talk about all of our electorates, but together they add up to Australia. What we know is that this is the Snowy Mountains Scheme of our age. This is the critical piece of infrastructure that we need to invest in to ensure that all of our
children are going to be able to flourish in what will be a knowledge economy for developing countries.

Our shadow minister made some really interesting points before, and one of them is this. If there is one thing you take away from the words I say in the chamber today it is that, at the moment, Australia is 44th in the world for internet speed, and we are currently in decline. This puts us behind not just economies that are bigger and more developed than Australia's but behind places like Romania, Russia and Slovakia. So I say again that we can hear all of the exciting platitudes from the Prime Minister and the Treasurer, but, when it comes to policy on the ground, we are not seeing the hard yards being done.

There are three quick points that I want to make about the performance of the Prime Minister when he was in the role of communications minister—three enormous disappointments that all Australians should understand when they are beginning to make their assessment of the new Prime Minister. The first point is the cost of the NBN. This person, who is now our Prime Minister, promised that this second-rate NBN would be built for $29.5 billion. He revised those assumptions about six months after he first made that statement, and then, in more recent times, he has revised the cost again to $56 billion. This is the person who, we are being led to believe, talks a big game about his commercial background, but here we have a project that, within a two-year period, he essentially doubled the cost of. In terms of pace, the Prime Minister told us it would be delivered by 2016. That is clearly not going to happen, because all of my electorate would have to be connected over the next year. We are now being told that it will take to 2020 to install this critical piece of infrastructure. The final point is about the quality. Members on the other side need to really understand this: copper and fibre are not the same thing. We heard the member for Solomon say: 'Isn't it great we've been able to deliver it at a lower cost and it is exactly the same product.' Wrong, wrong, wrong. And what I find so frustrating about this is that we will only get one chance to do this, and we are messing up that chance because of this Prime Minister. (Time expired)

Mr WILSON (O'Connor) (16:10): I represent the electorate of O'Connor which covers roughly one-third of regional Western Australia. I am very proud of my state. We produce about 10 per cent of the nation's GDP. But we do produce 55 per cent of the country's mercantile exports. And all those mercantile exports are produced in the very remote regions of my electorate. If we can review where we were with regard to the NBN in September 2013, in my electorate of O'Connor not one premises had been passed or was planned to be passed by the National Broadband Network. So it is with great delight that I can report to the House today that we now have 6,238 premises that have access to the National Broadband Network. That is a remarkable turnaround in two years, and I congratulate the previous minister for communications, now Prime Minister Turnbull. It has been an extraordinary turnaround and one that I have been very proud to be a part of.

Not only have we got 6,900 premises which are currently able to be connected to the NBN, over the next three years we will have a further 49,640 premises across O'Connor that will be able to connect to the National Broadband Network. That includes the major regional city of Kalgoorlie, where the build will commence in 2016, and the major city of Albany, where the build will begin in 2017.

This is critical infrastructure for a region that produces a lot of the nation's wealth. But the NBN, if I can digress for a moment, is just one part of the communications jigsaw puzzle in
my electorate. Of course mobile telephone reception is another big part of that communications jigsaw puzzle. I just want to mention the government’s mobile phone black spot program. Under the previous government, while they were prepared to invest $43 billion in the National Broadband Network—which was fine, and I echo the former Treasurer’s comments this morning that it is a good concept and a nation-building project that we needed—within that time period, not one single dollar was spent on a mobile phone network. So the communications minister, who was parliamentary secretary at the time, Paul Fletcher, had a program to cover mobile phone black spots worth $100 million. That is not a great deal of money in the scheme of things compared to the National Broadband Network, but, with some very good work by Parliamentary Secretary Fletcher at the time, he has managed to leverage in Western Australia $22 million of federal money into $58 million worth of investment in the mobile phone network, which has resulted in 60 new mobile phone towers in my electorate of O’Connor. So it is a fantastic result once again for the people of O’Connor.

As I became the new member for O’Connor and set up my office and started to have constituents’ inquiries come in, it became obvious very early that the people who were being serviced by the interim satellite service were very, very unhappy. This was the interim satellite service set up under the previous NBN administration. They had bought what they thought was capacity for 250,000 customers. By the time we got to 48,000 customers, the capacity was all but used up and the speed had slowed down to, in some cases, worse than dial-up. I have had a consistent and ongoing problem with this satellite service, and I am very pleased to say that the launch of the new satellite, Sky Muster 1, two weeks ago is great news for my electorate. I have 2,300 people on the interim satellite service. O’Connor has the largest number of people on the interim satellite service. It is great news that the satellite is up and is being commissioned. As of February next year, people will be able to transition to that new satellite service. That is great news that I can now pass back to the constituents in my electorate. Not only will the 2,300 who are on the interim satellite service benefit but it is estimated that 5,000 to 7,000 other people will access the satellite service when it is available.

The last thing I want to say is that we have heard a lot of criticism about the fibre-to-the-node technology mix that the government is promoting. I have heard of speeds of up to 90 megabits per second being achieved under the satellite-to-the-node system. As a farmer myself and someone who often has capital projects where you are constrained by capital and time, you build a project that you can add on to. Surely, if we build a fibre-to-the-node system, at some later stage in the future we can expand and improve that program as technology moves on.

The DEPUTY SPEAKER (Mr Vasta): The discussion has concluded.

BILLS

Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015

Customs Tariff Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015

Second Reading

Cognate debate.

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

Mr CONROY (Charlton) (16:16): I rise to speak on the China-Australia Free Trade Agreement enabling legislation. From the outset, I make it clear that I support freer trade and I will vote for this agreement, but I do so reluctantly and with open eyes. I do so reluctantly because the coalition government's record on negotiating trade agreements has been diabolical. Seriously, if I were the foreign negotiator and Andrew Robb came to me, I could issue him with anything and he would sign it. This guy would buy the Harbour Bridge. Nevertheless, after a concerted information campaign and strong negotiations led by Senator Penny Wong, the final agreement is sufficient and Labor will support it. I will go to some of my concerns around the FTA in a moment.

I want to inform the House of some of the previous very mixed record of those opposite on free trade agreements. The best place to start is the US free trade agreement—a trade agreement that promised so much but has delivered so little, a trade agreement where they trumpeted modelling that other reputable economic modellers said did not pass the laughter test, and a free trade agreement which has been in operation for around 10 years. Shiro Armstrong from the Crawford School at the ANU, a university and a research school profoundly in favour of trade liberalisation. A research paper by Mr Armstrong has found that not only has our trade balance with the United States not improved but two-way trade with the United States has fallen. Let me repeat that: since the free trade agreement, two-way trade with the United States has fallen. We have seen research from Dr McGovern at QUT which has found that our trade balance with the United States and Thailand has deteriorated since the FTAs were signed, and the Thai FTA is really symbolic of the coalition's very poor approach to trade agreements. They promised that this trade agreement would deliver bounties for the Australian automotive industry and it would deliver thousands and thousands of jobs. What happened is that the free trade agreement was implemented and tariffs fell, nominally allowing Australian cars to be imported into Thailand. What did the Thai government do? The same day, they whacked up duties on large cars, directly targeting the Commodore and the Ford Territory, which meant that our car industry was unable to penetrate the Thai market, and that led to not a single additional job in the automotive industry in Australia.

We had the member for North Sydney's valedictory today which capped off a 20-year contribution to politics, which I honour, but a very important point of his speech was the fact that he spoke positively about destroying the Australian car industry and thereby enabling the free trade agreements with Japan, Korea and China. That is a factual statement. Having witnessed subcommittee of cabinet discussions in the last government, one of the key stumbling blocks between signing the free trade agreements was the impact on the automotive industry in Australia. The member for North Sydney removed assistance to that industry and destroyed 250,000 direct and indirect jobs, enabling free trade agreements. Let's be frank about it: the free trade agreements we are debating now are only in place because the coalition government destroyed the Australian automotive industry. That is a factual statement that the member for North Sydney admitted to in his contribution to his valedictory today. We have a very torrid and mixed situation from the coalition government.
The original free trade agreement was a dog's breakfast. It was a dog's breakfast that led to an information campaign from the labour movement that pointed out the very significant flaws in the agreement, and they were confirmed by The Conversation and the ABC FactCheck unit. Both the FactCheck unit from The Conversation and the ABC confirmed that the claims made by the labour movement were factually correct.

Government members interjecting—

**Mr CONROY:** I note the derision over there. Facts are the enemy of the coalition government. Facts are very inconvenient for those on the other side. Nevertheless, the Labor Party engaged productively and constructively with the coalition government and negotiated on three important areas. We identified significant flaws in the IFA process. We identified flaws in chapter 10 on the free labour movement and in the licensing of skilled trades, and we achieved significant concessions. On IFAs we achieved compulsory labour market testing, not just a mere policy that those on the other side could drop at any time I felt like it. We achieved a commitment to labour market testing, to training plans and to skills transfer, and put in place a real framework to support overseas workers. Chapter 10 was harder because the movement of free persons was embedded in the treaty of the agreement. We achieved a significant concession around all 457 visas which requires the market rate of pay to be the EBA rate of pay when it is applicable. That is an important concession. On licensing, we have achieved a concession where, for example, in skilled trades that require licensing, a 457 visa holder must notify immigration if they have not been able to satisfy the licensing provisions of the relevant state. So, important Labor safeguards have been put in place that make a substandard free trade agreement acceptable to the Australian Labor Party and, I believe, acceptable to the majority of the Australian people.

The skewed priorities of those on the other side are interesting. They were very happy to open up movement of natural persons, to allow Chinese 457 visa holders to come into this country without market testing, but at the same time they screwed down controls on the free movement of capital. They folded to the reactionary National Party, and instead of allowing the Chinese companies to purchase farmland at the same levels that the United States is allowed to under the USFTA, which is $1.1 billion, they have applied $15 million. So it shows who really runs the coalition government. It is the reactionary National Party, who allow Chinese labour to come in without labour market testing but will not allow Chinese capital to come in and invest in this country and improve the liquidity of the agricultural sector. It very clearly shows who controls those particular parties.

There is still more work to do. We have made that clear. This is not the agreement we would have negotiated. I am still very concerned about investor-state dispute settlement clauses that give foreign corporations the right to sue the Australian government for decisions we make to improve the welfare of Australians—a clause that we are seeing in operation right now, with the Hong Kong arm of Philip Morris suing the Australian government. We would not have negotiated that. The Labor Party's policy is not to include ISDS in free trade agreements, and our policy is to remove it where possible. We would not have negotiated it.

This whole tawdry episode has demonstrated the need for more reform around 457 visas to avoid exploitation. We need genuine labour market testing that demonstrates that Australian workers have been offered real opportunities to apply for the work first. We need adequate market rates of pay—not a tick and flick exercise—where there is genuine exploration as to
the market rate of pay the Australian employer should pay. Also, we need genuine enforcement. There are 300 inspectors in the Fair Work inspectorate, who are tasked with overseeing the entire industrial relations system of this country, including the 457 visa system. That is simply insufficient. We need to employ more inspectors. To fund that, I would argue that we should go to a full cost-recovery for the fees that we charge 457 visa applicants, because the Australian people need to have confidence in the 457 visa system. I support the system, but it should be there to allow Australian employers to fill short-term skills gaps. It should be there to fill genuine gaps. To do that the Australian people need to have confidence, a) that Australians are not interested in the jobs, b) that market rates of pay will be paid, and, c) that there will be adequate enforcement and oversight so that we do not see the abuses that all too often come to light.

I acknowledge that the last Labor government moved on the 457 visa area. They made significant improvements, but it was not enough. So I am not saying this is a partisan issue. More needs to be done, no matter who is in power. We need to have a sophisticated trade debate. I support trade liberalisation, where there are adequate safeguards for the environment and for the labour movement. The interjections from the other side show just how incompetent they are. They fall into slogans about Paris and everything else. I support trade liberalisation, but it must be done in a way that does not impugn the sovereignty of the Australian government, does not affect labour safeguards, and does not undermine our environmental sovereignty. I will be very interested in reading the Trans-Pacific Partnership text to see what those provisions are, because I know the United States government insisted on them.

So, let's escape from these superficial slogans. Let's have a fair dinkum debate about trade. I support high-quality trade agreements that do not merely divert trade. But, unfortunately, under the coalition government we have seen too many tick and flick exercises where harbour bridges have been sold—Minister Robb. We have seen the USFTA over-promise and under-deliver and the Thai FTA over-promise and under-deliver, and I am hoping the China-Australia Free Trade Agreement does not fall into the same gap. I am not talking from a rabid lefty point of view. I am voicing the concerns of the Productivity Commission, for example, and I am voicing the concerns of the Crawford School at the ANU—so it is hardly rabid left-wingers. I will vote for the China-Australia Free Trade Agreement enabling legislation, because, as amended by Labor's negotiations, it is a satisfactory agreement that I am satisfied will have employment outcomes for Australians, but it must not be done with increasing exploitation of foreigners or by undermining Australian wages and conditions.

Mr WILSON (O'Connor) (16:27): Today I rise today in support of the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015 and its complementary Customs Tariff Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015. I thank Minister Robb for introducing these bills to the House and for the incredible job he has done towards the enabling of this landmark free trade agreement, which, in his words is 'the highest quality and most liberalising trade deal that China, the world's second biggest economy, and our largest two-way trading partner, has done with any other developed country'.

On the passage of these bills, this agreement will provide Australia with unprecedented access to the world's second-largest economy and a market of some 1.3 billion consumers,
eager for Australian products and services. China is currently Western Australia's largest export market, worth over $64 billion in 2014. My electorate stands to benefit tremendously from the timely passage of these bills, such that the agricultural, mining and tourism interests of O'Connor can reap the economic benefits of enhanced trade with China.

Immediately on the passage of this bill, 85 per cent of our exports will qualify for duty-free entry into China, rising to 93 per cent within four years, and 95 per cent on full implementation of the China-Australia Free Trade Agreement.

This agreement will give Australia a head start in many instances against competitors like the United States, Canada and the European Union. Nowhere is this better illustrated than in other countries' existing China FTAs, which have led to a fourfold increase in exports from New Zealand and a sevenfold increase in exports from Chile into China.

In 2011, Australia's agricultural exports to China were worth $5 billion, climbing to $9 billion in 2014. Prompt implementation of the ChAFTA will result in first-round tariff reductions immediately. The tariff reductions are scheduled annually, which means a second round of tariff reductions will occur on 1 January 2016. Australian beef already accounts for over half of China's beef imports, and our main competitors do not yet have FTAs. Our exports of beef to China are already on a steep trajectory, rising from 35,000 tonnes in 2012 to 128,000 tonnes, worth over $650 million, in 2014. Demand for our premium beef is tipped to grow exponentially with the expansion of China's middle class and the desire for a Western diet and high-quality protein. For the beef producers of my electorate, ChAFTA will enhance market access, with tariffs ranging from 12 to 25 per cent eliminated within nine years. Meat and Livestock Australia's Andrew McCallum spoke at a Pastoralists and Graziers Association conference I attended recently. He estimated that ChAFTA will reap annual benefits to the beef industry of $273 million per annum by 2024, to represent a total benefit of just under $3.25 billion between now and then.

China's demand for sheepmeat is also growing, with imports from Australia more than doubling between 2012 and 2014. China is Australia's second most important sheepmeat destination despite existing tariffs of 12 to 23 per cent. Although New Zealand has a longstanding FTA with China that will see its lamb enter tariff free from 2016, ChAFTA will gradually achieve the same status for Australian sheepmeat over the next eight years. Fletcher International Exports operates a sheepmeat abattoir and processing plant in Narrikup in the Great Southern region of my electorate. Fletcher reports a 30 per cent growth in exports of sheepmeat to Korea since the implementation of the Korea-Australia Free Trade Agreement. It looks forward to the implementation of ChAFTA, where sheepmeat tariffs into China of up to 23 per cent will be eliminated within eight years. Fletcher's plants in Narrikup and Dubbo together employ over 1,200 workers and have the capacity to process over 90,000 animals per week. In the last two years, they have exported over 51,000 tonnes of sheepmeat into China. Roger Fletcher, owner of Fletcher International Exports, states:

Without the China Trade deal, the Kiwi's will have the jump on us. That will mean lost jobs in regional communities.

In addition, Fletcher anticipates growth in demand for its sheepskin and lower value sheepmeat products as tariffs are reduced. The sheepskin tariff of seven per cent will be removed within four years, whilst the sheep offal tariff of 18 per cent will be removed within seven years.
According to Meat and Livestock Australia, the North Asia FTAs will reap over $20 billion in benefits over the next 20 years for Australian producers of sheepmeat, beef and their co-products.

With respect to dairy, China is now Australia's No. 1 market for dairy exports, with our industry worth $13 billion. Our dairy farmers face tough competition from New Zealand, the European Union and the United States. Currently, New Zealand dairy produce already receives considerable advantage due to its pre-existing FTA with China. Australia's dairy tariffs are currently up to 20 per cent, but ChAFTA will put our farmers on a more even playing field, with reductions to zero over four to 11 years, depending on the product. In the south-west of my electorate, this will have impact on large and expanding export operations like the Daubney family's Bannister Downs Dairy. I was speaking to Sue Daubney recently and she reiterated that this is a huge opportunity, not to be missed. Bannister Downs already has a seamless trade with Singapore, which she says is 'an open, friendly market'. Recently, there has been significant investment from big-business entities like Gina Rinehart, whose Hope Dairies is in partnership with Bannister Downs. Sue states that, although there are many barriers to trade with China, especially exporting chilled milk, they look forward to the ChAFTA helping open up this market to Australia's quality dairy produce.

O'Connor also has a significant wine-producing industry, with highly awarded premium wines coming from the Mount Barker, Porongurup, Frankland, Great Southern, Manjimup and Pemberton regions. The export of Australian wine to China was worth over $200 million last year. Australia currently competes with New Zealand and Chile, who have preferential access under their own FTAs with China. Tariffs on Australian wine exported to China currently range from 14 per cent to 20 per cent and are a significant impost on our producers, who vary from small boutique businesses to larger volume commercial propositions. On implementation of ChAFTA, this impediment to trade with China will be removed over four years. One of the big producers in our electorate is the Burch Family, who make MadFish, Howard Park and Marchand & Burch branded wines. I have had the pleasure of tasting their delicious wines at their Denmark cellar door. The Burch family have been exporting wines for over 20 years and are very Asia focused. Implementation of the Korea-Australia Free Trade Agreement has already seen an increase in their sales to Korea by 50 per cent. China is already one of Australia's largest wine export destinations, and Burch Family Wines CEO Jeff Burch is gearing up for when reductions in tariffs under the new free trade agreement with China commence. As he says, the government is creating a great opportunity with this free trade agreement, so with implementation of ChAFTA it is 'up to the business community in Australia to get off their backside, and get out there and have a go'.

As I mentioned, I am a farmer. I raise sheep for wool and meat and grow predominantly wheat, barley and canola. China makes up 75 per cent of Australia's wool market. Wool already enters China duty free but under a strict World Trade Organization quota of almost 290,000 tonnes. As part of the ChAFTA, there will be an Australia-only duty-free wool quota of 30,000 tonnes of clean wool on implementation, increasing by five per cent per annum to over 44,000 tonnes by 2024. This is in addition to continued access to the World Trade Organization quota. Good news for the grain farmers in my electorate is that tariffs on grains such as barley, oats, quinoa and millet will be immediately reduced to zero on the implementation of ChAFTA. Last year, Australia exported over $1 billion of barley alone to
China, up 33 per cent since 2010. Although wheat is excluded from the current agreement, there is provision to have it reconsidered within three years. Andy Crane, Chief Executive Officer of Co-operative Bulk Handling, looks forward to the opportunities that will open up for the Australian grain industry with the implementation of ChAFTA, resulting in 'a sustainable competitive advantage to the economies and societies of both nations'.

For other agricultural produce like horticulture, aquaculture and fisheries, ChAFTA will also open up huge export opportunities. Horticulture is the predominant industry in the Manjimup area of my electorate, growing premium avocado, potatoes, apples and other vegetables. China is a growing market for Australian horticultural exports, with exports worth $56 million last year, up from $13 million in 2010. China applies some of its highest tariffs to our horticultural produce. The removal of tariffs of up to 30 per cent over the next four years will be a boon for the exporters of Manjimup. Manjimup also produces over 80 per cent of Australia's prestigious black winter truffle, which is harvested at the opposite time of the year to the French and Italian varieties. Italy currently dominates the truffle market into China. Manjimup's Truffle and Wine Company managing director Alf Salter welcomes any opportunity to contribute counter-seasonal produce to the Chinese high-end restaurant market and will ramp up his negotiations to try to secure access into China on the implementation of ChAFTA.

I have also been approached by constituents growing freshwater crustaceans, such as yabbies and marron, who are keen to capitalise on markets in North Asia. Their produce would be shipped chilled and live and so requires different consideration to chilled or frozen seafood. Australian seafood exports to China totalled $35 million last year. Our Great Southern produces world-class abalone, southern rock lobster, scallops and crab. My electorate's $10 million seafood industry stands to gain from the removal of tariffs of 14 per cent on abalone, crab and scallops and 15 per cent on southern rock lobster over the next four years.

While the agriculture, horticulture and viticulture sectors as well as fisheries and aquaculture are undoubtedly the biggest winners under ChAFTA, the resources sector, which is so important in many parts of my electorate, will also see significant benefits upon implementation of the agreement. While the gold sector is not currently subject to any tariff, the increased investment from China will see many mining operations either reopened or expanded. A great example is Hanking, operating St Barbara's Southern Cross mine, which reopened in the last 12 months with a workforce now of over 300 and is looking to expand by another 60. Norton Gold Fields owns the Paddington operation, 35 kilometres north of Kalgoorlie and one of Australia's largest domestic gold producers, with annual production of more than 178,000 ounces. The nickel industry, which is centred around Kambalda but also has significant operations at Leonora, Leinster, East Hyden and Ravensthorpe, has suffered price reductions of 30 per cent on the world market over the past 12 months. The collapse in prices has tested the viability of every nickel producer, and cost cutting has led to many job losses across the industry.

The ChAFTA does provide some relief with the immediate removal of a three per cent tariff on nickel mattes and oxide. Minerals Council of Australia Chief Executive Brendan Pearson recently summed up the benefits of ChAFTA by saying:
The trade agreement with China is an unambiguously good deal for Australia. It is a high quality agreement that will deliver stronger economic growth, more jobs and better living standards.

That quote sums up what this agreement means for my electorate: jobs, jobs and more jobs. One in five Australian jobs is linked to trade. Growing our international trade means growing Australian jobs. I thank all in the chamber today for reaching a united decision to support these bills for the good of our nation going forward. I therefore commend these bills to the House.

Mr FITZGIBBON (Hunter) (16:39): In the spirit of the agreement struck between the government and the opposition to facilitate the passage of the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015 and related legislation through the House tonight, I will keep my comments as brief as is possible. But of course no-one in this place is happier about this agreement now that it has been improved than me. It will be of great benefit to the agriculture sector. At the risk of repeating some of the comments made by others: for beef, for example, tariffs of between 12 and 25 per cent will go to zero over nine years; for dairy we will see the elimination of tariffs of between 10 and 15 per cent, depending on the product, over four to 11 years; and for sheep and goat meat we will see the elimination of tariffs of between 12 and 23 per cent within the next eight years. The list goes on and on; it stretches through wool, pork, wine and spirits, horticulture, barley, sorghum and other grains, seafood and even processed food. Sugar has not done all that well and appears not to be doing well under the TPP, which I know is a disappointment to our canegrowers, and the opposition stands ready to work with the government in any way it can to improve the circumstances for those growers.

Having said that it delivers substantial benefits to agriculture and of course many other sectors, I just want to point out that this is not a free trade agreement; it is best described as a preferential trade agreement. That means it allows Australia better access into China than some of our competitors. To say the same, it allows Australia to catch up with some of our competitors—those competitors who have been facing lower tariff regimes for some time. There is no better example than the dairy industry, in which our New Zealand competitors have had advantage for many years now. So, it is very, very important to the agriculture sector.

The changes the opposition sought are important ones. Again, it is a very beneficial deal to the Australian economy and many operators within that economy. But it is not necessarily such a great deal for those Australians who were not guaranteed the opportunity to take up the jobs that may be presented by the agreement with China. I thought our concerns were valid. It was quite obvious that they were shared by many in the broader community. I am thankful to the Prime Minister and Minister Robb for their willingness to come to the table and agree and in doing so to meet those concerns and indeed allay those concerns.

I want to pay tribute to my colleague Penny Wong, as the Prime Minister did today. She worked very hard and very smart and very cooperatively with Minister Robb to navigate these changes. They are difficult, because none of us wanted to do anything that would offend the agreement per se. That would be unacceptable. But we were determined that we could make changes extending those protections without offending the agreement. The government has now agreed to do so, and we appreciate it very much.
Of course, those agreements go mainly to ensuring that, first, Australians have the opportunity to secure those jobs through labour market testing and, second, that anyone coming into the country—for example, in a technical trade situation—has the necessary skills to do so in a safe manner, and to ensure that people coming in are not exploited. In addition to that, it is about making sure we are not giving over jobs to others at lower pay scales—in other words, entry-level type jobs rather than those that require far greater expertise and experience. So, that is a very good outcome.

I just want to make a couple of comments about agriculture and the so-called dining boom—the enormous demand now coming out of Asia for high-value food. These agreements, as I said, allow us to enter the market a little more cheaply, and that is a good thing—unequivocally. But Australia's real opportunity in Asia does not lie so much in volume—as important as that will be—as in value. Generally speaking, we therefore need an agriculture plan which helps the sector move up that value chain, tapping into niche markets, delivering a product for which people in the growing middle classes of Asia are prepared to pay a high price. So you can see that every reduction in our tariffs makes that task easier. But, in the scheme of things, it is not as important as it is in a commoditised market dealing with homogenous product, where each competitor is selling a product which is basically the same.

I believe we need to be cautious of complacency setting into the sector, the sort of complacency which might grow from an exaggeration of the benefits of this deal to agriculture. They are not infinite. They are substantial, but they are not infinite. I have heard many in the sector who might be doing it tough because of drought, for example, or other cost pressures, saying, 'We will be all okay now because we have signed the China free trade agreement and the world will be our oyster'—excuse the pun. That is simply not true. This bill will deliver substantial competitive opportunities and enhance our competitive advantage, but it is not the panacea for all of our challenges in the agriculture sector. I would be disappointed to see politicians promoting complacency in the sector by overstating the benefits of this deal. I read an article which extensively quoted a stock and station agent in a regional community. He was talking mainly about drought, but at the end of the conversation he said, 'But it will be all right now because we have signed the China free trade agreement.' That is a perfect example of what I am talking about. It is not a panacea; it is not going to overcome every challenge we face in the agriculture sector, and we as politicians should not in any way be indicating to people that that is the case.

It raises all sorts of questions about the current state of the beef sector and the size of the nation's herd. We do want to send more beef—boxed, frozen, chilled, live—to Asia. That is a good thing for the country. The reason beef prices are on the rise at the moment is a simple function of supply and demand. Drought and other factors are causing people to turn cattle off earlier, and the herd size in Australia is in decline. When the herd size is in decline, demand starts to outstrip supply and prices rise. That is good thing for the producer. I am not suggesting the producer should not be benefiting from that—that is good thing—but it is not necessarily a good thing for the consumer, because eventually those prices must be passed on. There might be delay as the processors or even the retailers take time to pass those prices on to the consumer, but it will happen. So there needs to be a broader approach, a broader strategy, from government to address those issues or take them seriously. Rather than have the minister, on a daily basis, attempting to take credit for higher beef prices—something he is in
no position to do—he really should be looking further forward and asking himself what, if anything, government can do to work with the sector to address that shortage of cattle and what that is doing to the herd size and what that consequently is doing to prices.

As I was going through my ChAFTA file, I noticed an article which quoted Minister Joyce back in 2014:

… he said consumers should not pay higher prices, insisting retailers and processors were responsible for any price inflation.

I do not really know what that means. If it means that processors and retailers who are paying more for their product are not going to pass that cost on to the consumer, then it demonstrates a fairly poor grasp of economics. Yes, I will be with everyone else in this place and say that it is for us, through our regulators, to make sure there is no gouging and they are not passing on more than their additional costs to the retailer. But the fact is that, if farmers are getting more at the farm gate, processors are paying more for the cattle and therefore they are more than likely charging retailers more. Knowing the retailers well, you can be pretty sure they are going to pass that cost on to consumers. So higher prices at the farm gate are a great thing for producers, but we need to be alert to the fact that higher prices, on average, are probably better for producers, processors and indeed retailers in the long run.

The opposition welcomes the Prime Minister's agreement to come to the party on our changes. This is a good day for Australia. It is certainly a good day for those who operate in our agriculture sector and of course many sectors beyond that, and I welcome that.

Dr HENDY (Eden-Monaro—Assistant Minister for Productivity) (16:51): I rise in support of the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015 and cognate legislation and therefore in support of the China-Australia Free Trade Agreement. Since being elected to office, the coalition government has pursued an aggressive trade and investment agenda aimed at putting in place the best possible settings for business to flourish. This agenda has led to the swift conclusion of three landmark free trade agreements with the major economies of North Asia: Korea, Japan and China. The agreements form a powerful trifecta which will open up many doors across goods, services and investments. Together, these agreements cover countries that account for over 62 per cent of Australia's export market and provide Australian business with access to more than 1.5 billion people. The Korea-Australia Free Trade Agreement and the Japan-Australia Economic Partnership Agreement have entered into force, and we are working hard to ensure that the China-Australia Free Trade Agreement comes into effect later this year through this bill.

Tariffs to Korea and Japan have been cut twice already. Among the wide ranging benefits these FTAs are delivering are significant openings for our world-class services sector, which represents 80 per cent of our GDP—services such as health and aged care, tourism and hospitality, financial services, education, construction, engineering, architecture, urban planning and insurance, to name just a few.

In terms of food exports, Australia's high-quality clean, green and safe produce is becoming increasingly popular among Asia's growing middle class, and they are prepared to pay a premium. Australia's dairy products, fruits and vegetables, beef, seafood and wine all command top dollar in Asia, and our FTAs enhance market access in all these areas, with tariffs either eliminated or substantially reduced.
It is also important to note that while the elimination of tariffs into these markets increases our competitiveness when exporting, the removal of tariffs on imports into Australia can result in cheaper inputs for Australian businesses, such as our high-end manufacturers.

This year the coalition government has also worked to lock away new agreements such as the Trans-Pacific Partnership Agreement, while negotiations with India are also well underway as we work towards an ambitious target to conclude an economic partnership agreement as soon as possible.

A key focus for the government throughout 2015 was to help as many Australian businesses as possible understand the potential benefits of our free trade agreements. This included a series of seminars across the country, the first of which I co-hosted with the Minister for Trade and Investment in my electorate of Eden-Monaro. The reason the trade minister took that series of seminars on the road is because the free trade agreements provide unprecedented access to the regions and some of the world's top markets.

ChAFTA, the China-Australia Free Trade Agreement, in particular provides unprecedented access to what is already the nation's top overseas agricultural market. That is very important to a rural and regional electorate like mine. China buys more of Australia's agricultural produce than any other country. In the last financial year this market was worth $9 billion to Australian farmers and the broader agricultural sector. I will go through some of those benefits. Under ChAFTA, Australia's beef, sheep and pork farmers will gain from the phased abolition of tariffs of up to 25 per cent while tariffs on all fruit, vegetables and nuts will be eliminated. Eden-Monaro contains one of the most important sheep-grazing districts in the country—not only for wool production but also for breeding programs that the industry acknowledges as being amongst Australia's best. Exports alone were worth $2.9 billion to the national economy in 2013-14. Across the capital region, on the Monaro and the high country, we can look forward to our graziers receiving an Australia-only duty-free quota of 30,000 tonnes of clean wool which will grow by five per cent each year to reach 44,324 tonnes in 2024. This is in addition to the 287,000-tonne existing WTO wool quota already extensively accessed by Australian wool producers in the China market.

Another important benefit for our local community will be the elimination of all tariffs on sheep and goat meat over the next eight years, the elimination of all tariffs on beef over the next nine years, and the elimination of all pork tariffs within four years. In the Bega valley we can look forward to tariffs being progressively abolished for Australia's $13 billion dairy industry, including the rapid elimination of the 15 per cent tariff on infant formula. Similarly, tariffs on most timber products will be removed immediately whilst tariffs on some products, such as bamboo, will be eliminated over four years.

On another part of the South Coast, in the Eurobodalla, we can look forward to the elimination of tariffs on seafood exports within four years. This includes the elimination of the 14 per cent tariff on crabs, oysters, scallops and mussels, and the elimination of the up to eight per cent tariff on prawns. This agreement, together with the increased demand by China's growing middle class for Australia's clean, green, premium produce means the opportunities for future export growth in this market are there for the taking.

The agreement with China not only secures improved market access but also enhances Australia's competitive position by giving our growers and producers an advantage over major competitors such as the United States, Canada and the European Union. But it is not just good
news for Eden-Monaro's farmers and graziers. The free trade agreement with China will benefit the entire community through the creation of jobs, economic growth and greater prosperity for all.

With so much to gain from the successful and timely conclusion of ChAFTA, you would think that any right-minded person with an interest in advancing Australia's interests, promoting Australia's prosperity and doing the right thing for the country would support the timely conclusion of the ChAFTA. But enter the CFMEU. We have seen a xenophobic and disgracefully dishonest scare campaign waged by militant unions and led by the discredited CFMEU. To delay the implementation of ChAFTA would amount to economic sabotage and I am very, very pleased and happy that there has been bipartisan agreement in this parliament for these bills.

The tariff cuts scheduled are based on the calendar year, which means that if they come into force this year they will deliver an immediate round of tariff cuts. This will be followed by a second round of tariff cuts on 1 January 2016. This is exceptional news for Eden-Monaro. Let me give another example. Australia's Oyster Coast Ltd is an innovative Australian company based in my electorate of Eden-Monaro. They have a growing international brand and, as an emerging tourist destination stretching from the Shoalhaven to Eden on the New South Wales South Coast, Australia's oyster coast region is unique. Its growers produce three premium oyster species—the indigenous Sydney rock oyster, the rare Angasi flat oyster and the Pacific oyster—with strong year-round production. Each estuary is a unique ecosystem producing oysters of different taste and appeal. Through this newly-launched company, farmers from eight estuaries from the Shoalhaven to the Victorian border are benefiting from overseas sales while concentrating on what they do best: growing and harvesting the world's best oysters. Representatives of the company went to China in August to explore further export opportunities. They attended the Hong Kong Trade Development Council Food Expo and conducted the company launch in Guangzhou. I received a briefing from Mr David Trebeck, who is the chairman of Australia's Oyster Coast Pty Ltd, on his return from China recently. David conveyed to me the very positive outcomes of the launch. Australia's Oyster Coast confirmed short-term sales with expectations of sales tripling within three months. At the food Expo in Hong Kong Australia's Oyster Coast achieved great prominence, to the point where the Hong Kong Trade and Development Council CEO stated that it was 'the highlight of the expo.'

The existing tariffs on this sector will be eliminated under the China free trade agreement over three consecutive years. The resulting price reduction will be disproportionately influential in making our product more competitive vis-à-vis the current market leader, France—'the importance of which it is hard to overstate,' as David said. I have been working closely with this company and recently had a look at how oysters are prepared for market in both Batemans Bay and Narooma. Within 30 hours of harvest, Clyde River oysters from Batemans Bay can be in restaurants throughout Asia—faster than their rivals in France. The reductions in tariffs with the China free trade agreement will be particularly important to the Australian Oyster Coast. That is just one example in my electorate of where the agreement will be particularly valuable. In conclusion, with the three Asian agreements concluded and others on the horizon, there has never been a better time to be in Australian business looking to widen trade horizons abroad. I commend the bills to the House.
Mr KELVIN THOMSON (Wills) (17:01): China is already our largest trading partner. Australian agriculture exports to China have trebled in the past six years, from $3 billion in 2007-08 to $9 billion in 2013-14. They will continue to grow in future. China had $22.7 billion—$12 billion of it in Australian real estate—in investment proposals approved by the Foreign Investment Review Board in the 2014 financial year, more than from any other country. Chinese investors bought more real estate in Sydney and Melbourne combined—almost US$3½ billion —than in each of London, Paris, or New York. Frankly the claim that Australia risks becoming less attractive to Chinese investment is fanciful, and out of touch with the reality of 2015 Australia.

Labor has made it clear that in government we would not have agreed to key items in the China-Australia Free Trade Agreement, including investor-state dispute settlement provisions and the general exemption from labour market testing in chapter 10. The Productivity Commission heavily criticised Australia's pursuit of FTAs in a 2010 report that recommended future agreements first undergo independent cost-benefit analysis and verification of the predictions produced by the Department of Foreign Affairs and Trade. More recently the Productivity Commission has pointed to a lack of transparency and a lack of rigorous assessment of provisions in recently signed agreements.

Trade Minister Robb has said Australian jobs would grow by 9,000 per year to be 178,000 higher in 2035. This is incorrect. Peter Martin, the economics editor at The Age, has crunched the numbers in the government’s commissioned study by the Centre for International Economics on the combined impacts of the Korea, Japan and China FTAs. There is no separate study of the China FTA. That figure of 178,000 jobs does not appear anywhere in the CIE study. The three agreements will only create 5,434 net jobs in 2035. The government made a huge gaff by adding up all the job figures for each individual year without realising that each year's figure is a net figure counting both gains and losses up to that year. Peter Martin says that by 2035 Australia's workforce will exceed 15 million, meaning that the extra jobs will impact the unemployment rate by less than one-half of one-tenth of one per cent.

Ugly allegations of racism and xenophobia have been directed by the government and other China free trade agreement supporters to try to shut down debate. The allegations rest totally on the claim that the China FTA is no different from other trade treaties that Australia has entered into. But both the words and the meaning of the China deal are different from those of previous treaties. The definition of contractual service suppliers in the Chile deal refers to persons with 'high-level technical or professional qualifications, skills and experience'. The definition for the China, Korea and Japan deals was watered down to persons with 'trade, technical or professional skills and experience', with the words 'high-level' and 'qualifications' being omitted. The ASEAN and Malaysian FTAs, which Labor signed in government, provided labour market testing exemptions in the 457 visa program for very limited categories of foreign nationals. The China deal gives labour market testing exemptions to all Chinese nationals in the 457 program.

Furthermore, the initial period of entry for temporary contractual service suppliers in the Japan and Korea FTAs is one year. It is four years for the China FTA. The China deal also differs from other trade deals in that it has a memorandum of understanding which provides young Chinese with 5,000 work and holiday visas each year, with the right to work in Australia. It is regrettable that boosters of this agreement, rather than genuinely debating these
serious matters, have resorted to name-calling, throwing around offensive and inaccurate jibes like 'racist' and 'xenophobic'. I am proud to represent, as best I can, Australian workers of whatever background. One-quarter of Australian workers are not Australian by birth, and fully one half of Australian workers have one or both parents who are not Australian by birth. They are entitled to our consideration.

Why are Labor's safeguards important? Labour market testing means a business has to prove there is a genuine shortage of skills and there are no local workers who can do a job before temporary visas are granted for migrant workers. The policy intent is to protect the employment opportunities of local workers. Without labour market testing there is no proper mechanism to ascertain that temporary migrant workers are needed. A recent joint investigation by Fairfax Media and Monash University revealed that hundreds of thousands of temporary foreign workers at any one time were being illegally exploited and underpaid in a widespread black economy for jobs. Fairfax Media said it had been flooded with emails of examples of illegal pay and conditions from across the country. The investigation found that hundreds of thousands of workers in food courts, cafes, factories, building sites, farms, hairdressers and retail shops were being systematically paid less than their legal entitlement.

Associated research by Monash University journalism students revealed that 80 per cent of foreign language job advertisements were offering wages below legal rates. Examples of exploitation include Taiwanese workers on 417 working holiday visas being paid $4 an hour to work in a meatworks; Mandarin-language websites openly advertising jobs at $10 to $13 an hour, significantly below Australia's legal minimum wage; and working holiday visa workers being paid $15 per hour to pick fruit—no tax, no super, no holidays, no sick pay. The minimum legal rate for such work is over $21.

One feature of these abuses is employers using labour hire middlemen. This enables workers to be called contractors rather than employees, and the labour hire firms melt into the night on the rare occasions that whistleblowers or regulatory agencies expose them, enabling the employer to avoid responsibility for the exploitation. But employment minister Cash rejected the suggestion of federal action to crack down on the labour hire companies driving foreign worker scams. She said regulation should come from the labour hire industry. This is a clear sign that the government has no real desire to stamp out the exploitation of foreign workers by unscrupulous employers.

I think the potential for that aspect of ChAFTA to be a precedent for future FTAs, including that presently being negotiated with India, is self-evident. Australia’s labour mobility commitments in ChAFTA will be the new baseline demand from all countries with which Australia is negotiating FTAs. As I said, Australia is currently negotiating an FTA with India, once again under a self-imposed deadline of the end of 2015. India is the largest country in the 457 visa program, with 24 per cent of all visa grants.

I also want to mention the issue of mandatory skills testing. There is a side letter to ChAFTA that does away with mandatory skills testing by the Australian government, in a range of trades, before Chinese-trained workers come to Australia. These include high-risk trades like electrical work, which is inherently dangerous. We have stringent electrical training and safety standards in Australia and we must be very careful not to erode these standards, as doing so could lead to accidents, injuries or deaths.
Mandatory skills assessment of 457 visa applicants from high-risk countries, including China, was introduced in 2009 by the former Labor government to help restore some integrity to the 457 program. Before that, it was commonplace for employers to nominate Chinese and other workers for skilled 457 visas in trade occupations but work them as semi-skilled or unskilled workers. For example, some Chinese workers granted 457 visas as professional engineers were found to be working as labourers on Australian construction sites. There was also concern about trade training standards and qualifications and document fraud in some countries. Authorities like the World Bank say that those concerns are still valid.

We also ought to think about Australian manufacturing. Some of the hype about the China-Australia Free Trade Agreement fails to acknowledge that the benefits promised at the time deals are signed are often unrealised due to behind-the-border barriers and other unforeseen problems. Only 19 per cent of Australian exporters make use of Australia's existing FTAs, and somebody needs to point out that there are losers in Australian manufacturing, too, who have to date received little attention. The tariff reductions on paper products are inequitable, to the detriment of Australia's paper industry, as are the arrangements for fibre packaging. Companies like Armstrong World Industries, who do vinyl flooring, and Alucoil, who do aluminium building products, have expressed their concern about the impact of the China free trade agreement on their businesses.

Labor's changes will complement the China-Australia Free Trade Agreement by introducing safeguards to support local jobs, wages, conditions and skills and to deter the exploitation of overseas workers, and I welcome and support those changes. Labour market testing is to be written into migration regulations, and this obligation will extend to all work agreements in the migration system, including of course the investment facilitation arrangements under the China free trade agreement. A second aspect of these protections relates to Australian wages and conditions, with the requirement that the enterprise agreement rate has to be the reference rate for the purposes of the market salary rate. The third area of these protections is new conditions that require trade workers to obtain their occupational licence within 90 days, with a prohibition in their visa conditions to work without holding that licence and a requirement to notify the immigration department if the licence is refused or revoked, which will also be written into the regulations.

Labor's package also includes additional transparency requirements for the annual reports from the immigration department and a set of new guidelines which sets out some of the requirements, such as the Australian jobs test, training plans, skills transfer requirements and overseas worker support plans.

I welcome and support those changes that have been introduced and I hope that they act as an effective protection both for Australian workers and against the exploitation of foreign workers.

WYATT ROY (Longman—Assistant Minister for Innovation) (17:12): It is a great honour to rise in the chamber to talk about the transformative China-Australia Free Trade Agreement. A point often made by the Prime Minister is that we live in a rapidly changing world. Globalisation is shrinking our communities and our societies, the world is more interconnected than ever before and technology disruption is changing our industries at an incredibly fast rate. But we also live in a world of enormous opportunity, and the Prime Minister always makes this point in the chamber. This is the most exciting time in human
history and it is the most exciting time to be an Australian. And, when we look north to our partners in Asia, we see enormous opportunity not just for this generation of Australians but also for the next generation of Australians.

In China, we are seeing over a billion people come into the middle class—over a billion people. For us as a country of 23 million people it is quite hard to understand what that looks like. But, when we look back in 20, 30, 40 or 50 years time, the idea of starting an Australia business with the intention to sell to a marketplace of just 23 million people will seem somewhat archaic and retro. The opportunities the China-Australia Free Trade Agreement will unlock mean that, instead of having access to a market of only 23 million people, we will have access to billions of people, including a billion coming into the middle class.

We have a strong history, a strong foundation, with China and our Asian neighbours when it comes to our traditional strengths as a country. We have an enormous story to tell when it comes to the resources boom in this country and also the agricultural success of this country. I come from a farming family—and I am incredibly proud to say that I come from a farming family. My brothers work in the coalmines. This has been a great strength for our country, but as the world changes, as globalisation takes off, as technology changes this world, it is important that we do not allow fear to define our response to the changing environment that we are in. It is important that we embrace that change, embrace the future and diversify our economy. The transformative treaty that is before the parliament today, the Australia-China Free Trade Agreement, is that opportunity to diversify our economy.

While this agreement offers enormous access for our traditional strengths when it comes to resources and when it comes to our farmers, the untold story so far is what it will do when it comes to the services side of the economy. The services side of our economy currently makes up about 70 per cent of our domestic economy but only 17 per cent of our international exports. So the real opportunity for us as a country and for future generations of Australians is to turn that 17 per cent in exports into a much greater proportion of our economic output. That is where we will see the future jobs that we need and the increasing economic prosperity and the rising living standards that we should hand over to the next generation of Australians.

In this agreement, effectively for the first time ever, the Chinese have decided that our country is a great testbed to open new grounds in a free market way. They have decided that our country should have the right in many ways or the opportunity to establish 100 per cent Australian-owned businesses in health care, education, architecture and legal services—a whole range of services that they have not allowed access in the past. What that will mean is that, where we have these great strengths on the services side of our economy, where we have these innovative Australian businesses here domestically, they will be able to scale and grow these businesses at an enormous rate. They will be able to take these businesses from a situation where they might only be selling to 23 million Australians and turn them into businesses, companies, that sell to billions of people. There are a billion people coming into the middle class in Asia, through the China-Australia Free Trade Agreement, through the Japanese economic partnership, through the South Korea Free Trade Agreement and through the Trans-Pacific Partnership. These agreements will unlock the enormous potential that our country has to grow that market access that will be the driver of future prosperity, future jobs growth and rising living standards in this country.
I turn to my own electorate to give a few examples of what this agreement means in terms of job opportunities and increasing prosperity for my local community. This agreement has the potential to create enormous job opportunities and greater prosperity locally and, I would say, even pride for our region. We have some of the best farmers around. I am very biased, of course, with my family being farmers. We have some fantastic farmers. In this agreement, the tariff barriers that are currently stopping trade into this enormous marketplace will be removed. It will allow these enterprising farmers to have access into that Chinese marketplace, particularly the high-end of that market. We have an incredible brand in this country of clean and green that we should capitalise on to its full extent, and the China-Australia Free Trade Agreement will allow our farmers to get that market access ahead of our competitors globally—because we are obviously competing in a global sense. It will allow them to sell their products—their fruit and vegetables and agriculture products—into what is probably one of the biggest markets in the globe.

I will give another example—one that I think is a great traditional strength for our country and something that we do not talk up enough. In my electorate, in Narangba, we have a company that is over 100 years old in Packer Leather. Packer Leather is a manufacturing firm that produces leather products for iconic brands—kangaroo cricket balls, Sherrin footballs and R.M. Williams boots. These are iconic Australian brands. Packer Leather is in many ways bucking the trend. It is an incredible manufacturing story: employing more people by the day, competing globally and exporting into these marketplaces. In the China-Australia Free Trade Agreement, the tariffs around kangaroo leather—it is quite a bizarre arrangement that there are tariffs on kangaroo leather going into the Chinese market place; it is about 14 per cent—will be completely removed over time. What that will allow is an iconic Australian business like Packer Leather from Narangba to have access into this rapidly increasing marketplace—a marketplace that is finding individuals with much greater wealth who want to buy these high-end products. This will really drive the prosperity of this local business and give them enormous opportunities into the future.

These are quite practical changes that will have a very positive impact not just on the nation but also on my local community. I think in decades to come when generations of Australians look back, they will be very proud of what we have achieved in the parliament today with the China-Australia Free Trade Agreement. I personally am very proud of what the Minister for Trade and Investment, Mr Andrew Rob, has managed to achieve in this agreement. In the short time since we have come to government, he has managed to deliver in the actual practical sense but also through this parliament free trade agreements with some of our largest trading partners. The Japanese-Australia Economic Partnership Agreement is, again, a completely transformative free trade agreement. It gives us access into the Japanese marketplace that effectively no other Western country on earth has. There is this fantastic agreement with China. There is also a very significant agreement with South Korea. Of course, in recent days, we have had what I think will really transform global trade in the world—the Trans-Pacific Partnership. This is a very exciting time. These agreements represent an opportunity for us to grasp the potential that our country has to embrace the future and the change that we need. It is a very exciting development not just for this generation but for generations of Australians to come.
Ms O'NEIL (Hotham) (17:21): I am really pleased to contribute to the debate this afternoon, and there are three big points I want to make in the time allotted to me. The first is that the labour market issues and other concerns that Labor had about this agreement were very real, but, in large part, they have been resolved. I will take some time to go through some of the issues that we identified and how they did, ultimately, get resolved. The second point agrees with some of the comments made by the member for Longman—there is significant opportunity in this agreement and significant opportunity in China. The third point is the barriers that we face to embracing those opportunities. One of our very intelligent caucus members said today, 'On the other side, they see a trade agreement as the end of the discussion; we see a trade agreement as the beginning of the discussion.' I want to talk about some of the policies that Labor want to implement to ensure that we do not just have a great looking piece of paper but that we have lots of people who are benefiting from the agreement right across the Australian economy.

I think that we can all say in full frankness that the China-Australia Free Trade Agreement contained some provisions that Labor would not have signed up to. There are real issues with the way that this agreement was negotiated in terms of the ability that it gave Chinese business owners in Australia to bring Chinese labour into the country and to do what we saw as threaten some Australian jobs. Some of the things that were allowed under the agreement meant that companies that were undertaking projects worth more than $150 million—which, in infrastructure terms, is actually not such a large number—would be able to use Chinese labour on those projects. One of the other issues was around skills assessment. The agreement specifically laid out a set of skills for which a visa could be granted without the applicant having to demonstrate the ability. These were amongst a range of issues that Labor saw in the agreement. We went out and talked to Australians, and they talked to us about worries that they had and how this would affect them. That is the basis on which we have negotiated with the government.

I want to pay tribute to the shadow minister Senator Wong, in the other place, who has done something really quite extraordinary and made bigger changes to this agreement than have been made to any other agreement that Australia is a signatory to. I will turn to some of the things that have been achieved through the negotiations of Senator Wong and the Labor team working with our leader Bill Shorten. On labour market testing, the fundamental issue has been resolved, so labour market testing will now be written into all work agreements for all different types of jobs in Australia. An Australian jobs test, again, will now be written into department guidelines. Training plans were important for Labor, and again those have been written into departmental guidelines. Skills transfer requirements have been implemented. Overseas worker support plans have been implemented. Something quite important is that, because of Labor's changes, the ChAFTA plus, the minister will now have an ability to include conditions such as ceilings on 457 workers. Something else that has been very important to Labor is transparency. We want to understand the labour market impacts of this agreement over time. Labor have been able to negotiate for the immigration department to report annually on the impact of the agreement on Australian workers. That gives a little bit of a flavour to how wide, varied and significant the changes that Labor have been able to negotiate are. I think this is quite consistent with Labor's philosophy and approach to trade—that is, we really are the party of free trade. We have done so much on this side of the House to open up Australia's economy to the world to help our exporters access overseas markets.
But we are not going to do it in a way that means that ordinary Australians do not benefit. That is not what the Australian government is there for.

I am very proud of the changes that have been made. They now allow us, as a parliament, to turn our minds more to the opportunities and benefits of this agreement and what it is that we need to do as Australians to embrace them. I say that with full acknowledgement that there are some significant wins in the China-Australia Free Trade Agreement. We hear a lot about the opening up of markets for goods exporters—so tariff reductions for wine, manufacturing goods, resources and commodities. Dairy has also been a significant winner under the agreement. Those things all very exciting, but we should not ignore the extraordinary difference that this will make to the services industry and its ability to export to China. Financial services, education services, mining services—and we have some of the best firms in the world in that regard—telecommunications services, legal services, construction services, and architectural services will now be able to realistically export to China.

I have not seen what I believe to be good estimates of the jobs figures, but I think that, when we want to understand the potential impact of this agreement, we need go no further than look at the quantum of the market size in China versus Australia. I will share a few figures with House. If we are looking at education, the number of young people in Australia between the ages of five and 20 is just over four million; in China, it is 236 million. In relation to motor insurance, there are 18 million cars on the road in Australia at the moment; in China, there are 154 million cars on the road. One of the provisions in this agreement allows motor insurers to export their products to China, and that is the market size that they will be looking at. In financial services, there are 236 people living in Australia right now who have more than $100 million in private wealth; in China, that number is almost a million, and it is growing. So you can see that there is an enormous opportunity to be captured here, and a free trade agreement gets us at least to that first step.

The benefits that we see are significant. With goods, we will see some jobs growth in Australia and some revenue and profits realised in Australia. With services—both those delivered here in Australia and offshore in China—we hope to see some jobs results there as well. We talk down a little bit the services economy in Australia, but, when you look at the data, there is a lot of reason to celebrate what we see as a thriving services industry in our country. The reality is that the vast majority of Australia's GDP is generated through services; the vast majority of Australians work in services. That is something that we should be celebrating. The reason is that, when we look at economies around the world, it is quite clear that, as economies develop, services over time take up a larger share of the economy. That is what we have seen happen to Australia.

The agreement is important for another broader reason, which I have not really touched on. It will allow Australia to export more. Again, when we look at the data, we can see that there is significant opportunity for us to grow faster if we are able to export more. There is a simple fact in all this, and it is that if we look to 2020 Australia's economy is projected to grow at just under three per cent—but we have quite a large growing population, so it is actually not such a large figure—but the Chinese economy is projected to grow more than six per cent. So if we can tap into that growth then we are going to grow faster. It is simple maths.

We also see it when we look at the share of our GDP that our exports make up. For a country like Australia, exports are actually quite a small share of our GDP. That is something
that this agreement will have some capacity, at least, to change. When we look at the ratio of exports to imports, in 2012 we see that Australia exported about 21 per cent. But a nation like Korea exported 57 per cent. So we can see that there is significant growth potential there.

One other point that I want to mention before I move on to some of the barriers in the path of accessing the benefits of the agreement is to note that, on the Labor side, we talk a lot about the jobs of the future. When we look at the 10 fastest growing, high-skill jobs, we see they are all jobs in services. In fact, when we look at the 10 fastest growing, low-skill jobs, I think nine out of 10 of those are in services. This is just the reality and the quicker that we understand how to promote and build a strong, thriving and high-skill services economy then the quicker we will take up these opportunities.

One critical difference between those on this side of the House and those on the other side of the House is that we regard this agreement as the beginning of the discussion about Chinese engagement, not the end of it. We see that there is real discussion in the Australian community about this, the tone of which suggests that this is a fait accompli, that Asian engagement, our connection to China and the growth that will be built on this opportunity is just going to happen without us really trying. When we look at the figures, there is lots of evidence to suggest that that is absolutely and completely incorrect. There is a lot more thinking that we need to do as a country both within government and within the private sector about how we engage with Asia and how we can improve that engagement because, today, we are quite behind where we need to be.

A great microcosm of the deficiencies in this area is the treatment of the Australia in the Asian century white paper. The former Labor government worked incredibly hard, negotiated and consulted widely, and put together an excellent document that would chart Australia’s increased engagement with Asia over what will be the Asian century. That document was brimming with policy ideas, but it has been taken down from all the government websites and thrown in the bin and locked in all the cupboards. It is as if the document did not exist. I hope that with the new Prime Minister there is an opportunity for him to say that this is good policy, that it is a good document, that it is a set of initiatives that are urgently needed to resolve this problem of Asian engagement.

It is particularly critical because the services exports that we have been talking about so excitedly in the chamber are going to require a much deeper level of engagement than we would usually regard as essential for goods exporting. If I could provide a quick example. What we might see for an exporter of wine, for example, is that they need one really good quality relationship to make an export opportunity work in China, because they can transport the ownership of wine on the dock to an importer in China and the legwork can be done at the other end. It is not how all the export arrangements work, but it is how some of them work.

We see there is an opportunity in aged care, for example, where an Australian businessperson is going to be expected to find partners in Asia, buy property, understand the complex regulatory environment for assisting the aged, understand cultural things about how to care for people when they are sick and understand extensive human resources and staff management issues. These are very delicate matters that are going to be hard to do if interpreters are going to be required at every step of the way. Things like Asian languages, spending time overseas studying in Asia—all of these things will be critical.
I will conclude my comments because I know we are trying to move through this debate quickly. I reiterate that I am really proud of the way that Labor have handled this agreement. We have been able to step back from what has been a fiery public debate and accept that there are benefits on the table here but also acknowledge that we need to conduct our free trade negotiations in a way that ensures free trade benefits for ordinary Australians. That is what we have been able to do. I am proud to support this on behalf of the people of Hotham. Thank you.

Mrs PRENTICE (Ryan) (17:34): China is the most populous nation on earth, a vast nation of 1.35 billion people. It has one of the world's fastest-growing economies, with gross domestic product having more than doubled in the past six years. It is now the world's second largest economy, and it is only a few years away from overtaking the United States of America as the largest economy on the planet. Every year, tens of millions of Chinese enter the middle class. China is now Australia's largest export destination. Australian exports to China have more than tripled in value since 2007. One in every $3 earned from Australian exports is now earned from trade with China.

With this Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015 we have a once-in-a-generation opportunity to build on these strong foundations by breaking down the remaining barriers to trade with China. This bill enacts the China-Australia Free Trade Agreement, which will remove 95 per cent of the remaining tariffs on Australian exports to China. This agreement is big news for my electorate of Ryan, for reasons that I will shortly explain after a brief digression.

Many members like to praise the intelligence of their electorate, but I have the numbers to prove it. According to the 2011 census, Ryan is the most educated electorate in Australia. There are more education professionals in my electorate than in any other electorate in Australia. We also rank in the top 10 for health professionals and for design, engineering, science and transport professionals. What this indicates is that the local Ryan economy is very much a service economy. Thousands of locals work as professionals in the Brisbane CBD or at large local institutions such as the Wesley Hospital and the University of Queensland.

With apologies to my rurally-based colleagues, in my view, it is the service economy rather than agriculture or mining that offers the greatest opportunity for further export growth. Already, one in $7 earned from exports to China are earned from service exports. After iron ore, coal and gold, education related travel is the fourth largest Australian export earner in the Chinese market. With the slowdown in mining, the service economy share of exports to China will only grow further. For the service economy, this agreement is crucial. China is already Australia's largest export market for education services. But this agreement will ensure the trade relationship is further strengthened and deepened.

Within 12 months of the commencement of this agreement, an additional 77 Australian private higher education institutions will join the 105 Australian providers already listed with the Chinese Ministry of Education. This will act as a gateway to substantially increase their visibility among prospective Chinese students and will boost the number of Chinese students who choose to study in Australia. Even more Australian institutions may be added in the future.

In further good news, education ministers have signed memoranda of understanding to ensure improved higher education qualifications recognition in both countries, as well as...
enhanced mobility of students, researchers and academics. These moves will cut red tape and reduce barriers to trade. There are also commitments to further discuss how to increase student and teacher exchange between Australia and China and to increase marketing and recruitment opportunities for Australian education providers in China.

All of this is in addition to the links already being established through the New Colombo Plan, under which young Australians are being assisted to study and undertake training in nations in our region. Almost one in five students in the 2015 cohort have elected to undertake study in China and Hong Kong.

Beyond education the Australian health and aged-care sector will benefit from the easing of restrictions on establishing Australian owned hospitals in the major cities of Beijing, Tianjin and Shanghai, as well as the populous and relatively affluent provinces of Jiangsu, Fujian, Guangdong and Hainan.

In construction and engineering, China has guaranteed market access to Australian companies established in the Shanghai free trade zone. And, in the area of legal services, Australia has secured a world-first agreement on commercial association between law firms. Within the Shanghai free trade zone, Australian law firms will have the ability to establish commercial associations with Chinese law firms and will be able to offer Australian, Chinese and international legal services without restriction.

There is no doubt that this agreement is good for my electorate and also good for Australia. It will boost growth in industries that employ millions of Australian workers. With the livelihoods of so many Australian workers and their families riding on trade with China, successive governments, including Labor governments, have been working towards improving Australian access to Chinese markets. The benefits of the agreement are clear and obvious to any fair-minded observer.

We have seen former Labor Prime Ministers, former Labor trade ministers and serving state Labor Premiers show their support for this agreement. The Australian newspaper has compiled a list of Labor luminaries who support the agreement. Victorian Labor Premier Daniel Andrews said:
The free trade agreement is something that I support, that our government supports.
Queensland Labor Premier Annastacia Palaszczuk said:
Of course I support the free trade agreement with China … our largest trading partner.
ACT Labor Chief Minister Andrew Barr said:
Free trade encourages jobs growth. It’s not free trade but the Australia/China preferential trade agreement will be good for … exporters.
Former Labor Prime Minister Bob Hawke said:
The party must not go backwards on this issue—the party and the trade union movement. Talk of opposing it is just absolutely against Australia's best interests.
Former Labor leader Simon Crean said:
… we diminish our opportunities for jobs going forward if we do not sign this agreement.
Former Labor foreign minister Bob Carr said:
Our analysis of the FTA is that any incoming Labor government would have all the mechanisms it needs to protect … Australian workers.
New South Wales Labor leader Luke Foley said:

  I agree with Bob Hawke when he says that the China-Australia free trade agreement should not be torpedoded.

And, finally, Tasmanian Labor leader Bryan Green said:

  Labor wants to see this FTA deliver good outcomes for China, good outcomes for Australia and good outcomes for Tasmanian workers.

Industry groups have lined up to support it, as have the lion's share of informed financial and political commentators.

Sadly, there is a lonely island of opposition to this agreement. The incorrigible dinosaurs of the CFMEU have kept up their record of opposing every piece of worthwhile economic reform in recent memory. This time they have managed to outdo themselves by running a marketing campaign of startling intellectual dishonesty and thinly veiled xenophobia. CFMEU advertisements have been blanketing the airwaves, darkly warning of invading armies of foreign labour, legions of shonky Chinese electricians and wave after wave of substandard products. This, of course, is complete nonsense and has been debunked many times over.

I am pleased that the Leader of the Opposition has been convinced to back this agreement. It is the right decision for working Australians and it is the right decision for Australia's long-term economic future. I commend the Minister for Trade and Investment for his tireless efforts to secure this agreement. I commend this bill to the House.

Dr GILLESPIE (Lyne) (17:43): I rise in support of this legislation. The China-Australia Free Trade Agreement is a landmark free trade agreement. In decades to come people will look back on this in a similar fashion to how they look back on the original post-war trade agreement with China that a previous leader of the National Party, Black Jack McEwen, was at the forefront of.

It is with great honour that I stand here as the member for Lyne. I want to bring to the attention of the House that this is a very successful conclusion by our current Minister for Trade and Investment. He has done a fantastic job getting the trifecta of trade agreements up. The negotiations for this China-Australia Free Trade Agreement were started over 10 years ago by my forerunner in the seat of Lyne, former Deputy Prime Minister Mark Vaile. I know he, amongst many other Australians who are producers and exporters, will be very pleased when this bill has passed the House and is on its way to the Senate.

The potential of the China-Australia Free Trade Agreement is enormous for people in my electorate who are producers of milk, dairy, beef—but dairy and beef, in particular—and fisheries. We have premium wine producers in the Hastings and in the Gloucester region and in the south of the electorate as well. There are many people who can benefit from this. Even the announcement of the trade agreement and the original signing of intent to ratify and formalise this agreement has led to hundreds and thousands more cases of wine leaving the Hastings valley on the mid-north coast in the north of the Lyne electorate and heading to China. Imagine the effect when it is formally introduced and in action. The potential is huge.

We do have great products in the Lyne electorate. There is the potential for seafood exports and for more dairy exports. To the north of us, Norco is producing milk now that is going all the way to China into the fresh milk market. The Manning valley, home to over 52 dairy
producers who produce over a third of the state's milk, will be able to produce even more if it
gets into this export market. In Wingham we have Wingham Beef Exports. In Wauchope we
have Hokubee Australia, which is a beef exporter. With this free trade agreement, the
potential for all those producers to export into China is huge. It is to be commended.

We also have service industries. We have people in the defence space in our electorate.
People in that space make high-tech gear which we can export into China. We have legal
services. We have architectural services. There are many services, even in a regional
electorate like mine, that with the ubiquity of online trading have the ability to become
exporters into China.

There is another benefit for Australia. There are many envious nations around the world
that look in wonder at our achievement of a free trade agreement with China. They will see us
as a potential production venue to export their goods into China, whether it is in the
pharmaceutical space or in complex manufacturing. There are many who have spoken to me
and hope to expand their existing Australian production basis to cater for the Chinese market,
whether it is vitamins or pharmaceuticals. They are the two obvious ones that could be
ramped up exponentially to produce goods for China.

There are so many spin-offs for the Australian economy in this. It means all these primary
producers have another market to deliver their goods to. In the beef industry, traditionally,
your opportunities ended with selling to an abattoir. But if the abattoirs are exporters
competing with the Australian market abattoirs, it will lead to higher farm gate prices. You
have only got to see what has happened in the beef industry over the last 18 months to two
years. We have had record prices at the Wingham abattoirs, and sales at Kempsey, Taree,
Gloucester and across all of south-eastern Australia are really encouraging.

It is the first time in 20 years that many beef producers are actually making serious profits.
They now have a tax problem. To be making enough profit to have to pay tax is a great
problem to have. Many of them have just been living on a zero-sum game for decades,
producing and making marginal profits. Even big producers with really big outfits, if they
were not getting good prices, then they had a big turnover and they had marginal profits and
they had increased land values. But now it is such a relief to know that you can make a profit
out of breeding animals and producing really high-quality beef that is a prime product.

For my wine producers, seafood producers and service providers there are all sorts of
opportunities, and between the internet and these free trade agreements the sky is the limit for
Australia. I am really looking forward to this bill passing the House, going to the Senate and
going through the ratification process because it will open doors for so many businesses in my
electorate, let alone across the whole country. I commend the bill to the House.

Mr KATTER (Kennedy) (17:50): I feel sorry for the members of the government, I really
do. They get a brief and they have got to get up and tell us how wonderful the free trade deal
is and how it is going to save the world. I was in this place and saw the then Prime Minister
stand up and lead the clapping for Andrew Robb on the free trade deal with China and I
thought, 'Maybe I know nothing about politics, but if this is getting you votes I am a Martian
astronaut!' Four weeks later he was thrown out a window.

You think you are deceiving the people of Australia. You are not. When they hear 'free
trade deal', they hate you. Understand that, because I might not be an expert in a number of
fields, but after 41 years of straight wins in pretty hostile territory, I can tell you that I know a little tiny bit about politics. I sat at the feet of the great master, Bjelke-Petersen. So if you are not interested in governing the country, if you are not interested in helping your country, maybe you might just think about your survival.

I feel sorry for the LNP. They somehow think that Australia is this big, huge country and that it can produce a magnificent amount of agricultural production. It most certainly can produce a lot more than it is producing. But it is not a big, huge agricultural country at all. There is 53 per cent of Australia that is designated as desert and 23 per cent is designated as Indigenous lands. Since the governments of Australia will not give title deed to those lands, they are sterilised. That is 76 per cent gone. There is seven per cent that is national parks. So, if you take out that 83 per cent, there ain't a lot left.

The concept that huge areas of land will produce huge areas of food—sorry; that is wrong. There are a few thousand hectares, maybe 30,000 hectares, of land that is producing about a quarter of Australia's beef production. They are called lot feeders. Basically the cattle do not wander around chewing grass. That is not the way beef is produced anymore in America or in Europe or in Australia. It is done in lot feeders. So you have a different concept altogether, where you do not need huge areas of land. Your competitive advantage is in that lot feeder. That is where the action comes. You have a competitive advantage in that area.

Somehow they think, 'There are millions of people in South-East Asia, and we're going to be able to sell all this food to them.' Mr Deputy Speaker, I would refer you to the statistics. In fact, there is a pretty good chance that we will be importing food from those countries. Let me be very specific. When I stood up in this place 15 years ago and said that this market fundamentalism, this free market rubbish, will destroy your country, I said that Australia could become a net importer of food. Every 10 years, the imports increase at 103 per cent and the exports increase at 21 per cent. You do not have to be Albert Einstein to figure out that the graphs will soon cross.

Mr Deputy Speaker, you must understand that, if every Chinese city had two 20-storey buildings with tanks on each storey, then they could produce all of the protein requirements for China. They do not have to buy any of our beef. They do not have to buy any of our seafood product. In fact, if you look at a graph of the increase in seafood production in China, if you extrapolate that graph on for about 30 or 40 years, in theory all of the world's protein would be coming out of the prawn and fish farms in China.

I am fascinated by how this is going to help Australia. The last speaker, the member for Lyne, touted the beef industry. I do not know if he knows anything about it. I rather doubt that he does, but he touted the beef industry. Well, let us have a look at what this free trade deal does for the beef industry. We sell our beef at the present moment at $2 a kilogram. If you look at the average price, it is a lot less than that, but I will take $2 a kilogram. Its 10 per cent tariff has been abolished, so that is a 20c advantage we get. The beef sells over there for $32 a kilogram. Those are the figures that have been given to me. But now the Australians are going to have a terrific advantage of 20c, so it is $31.80 now. Jeez, that will lead to a huge increase in the benefits for the beef producers of Australia! A difference between $32 and $31.80, and the member of parliament who sits beside me here, the member for Lyne, seriously touted that as something that is going to help the beef industry? Why doesn't he do his homework? Why
does he just take the drivel that comes from the frontbench? And the drivel that comes from the frontbench is dictated by the giant corporations that bankroll the mainstream parties.

Having dealt with the LNP, we will move on now to the ALP. If ever there was a day on which 'Red Ted' Theodore would turn in his grave and the founders of the labour movement would spit upon the people that sit in this House and call themselves Labor members, today is the day. When I walk out of this place, there is a magnificent portrait of a bloke called Charlie McDonald. Charlie McDonald was the first member for Kennedy, and every time I go out I salute Charlie. Six of Charlie's first seven speeches in this place were railing against the importation of foreign labour. Well, this document opens the door to it. This man went out and helped form the Labor Party, the labour movement, of Australia. They fought and died, literally—there were three shearers shot dead at the strike, where *Waltzing Matilda* was written a couple of months later—and the entire executive of the AWU were jailed for three years with hard labour for having a strike. These men and their families went hungry. What happened when they got arbitration was that the miners said, 'We're bringing the coolies in from China. Ha, ha. Take that, Buster Brown; take that.' And the cane plantations said, 'We're bringing the Kanaks in to be cane cutters, so take that, Buster Brown; take that.'

So the first member for Kennedy stood up in this place and courageously fought to create the Labor Party—and the people who sit here on $200,000 or $300,000 a year, enjoying the benefits from the creation of that labour movement, sit here and betray every principle that was put forward by those people. Charlie McDonald would turn in his grave. But I am proud to say that the people of Kennedy are still represented by people who are not sell-outs, who are not under the control of the big plantation owners or the big mining companies. No. We are under the control of the people of our area. That is who we are under the control of and proud to say it. This opens the door that the Charlie McDonalds died for. The ALP today sold them out—lock, stock and barrel. There is not a trade unionist in Australia who is not looking at the ground and being ashamed of his association with the labour movement.

Let me become very specific. I am fascinated. I am just a poor, humble, simple Cloncurry boy. Clearly, these wunderkind—over here and over there—have decided to have free markets. The honourable member over there, Mr Brough, is making faces; he thinks it's funny! I will tell you how funny it is, my friend. You have to buy everything from overseas. The last whiteware factory, which is at Orange, closes this year. So you have to buy all your whiteware goods from overseas. About 40 per cent of the steel in your house—the roofing on it, the reinforcing steel for your floor—comes from overseas. About 40 per cent of your cement comes from overseas. All your whiteware and all the motor cars in your garage will come from overseas, next year. The clothes you wear will all come from overseas. Your footwear will all come from overseas. The petrol you put in your car comes from overseas. Everything we buy comes from overseas. Where are we going to get the money to buy all of these things?

The honourable member there, Mr Brough, laughed at me. People have laughed at me ever since I came into this place and started talking about this. I want it on record that he laughed at me, because the history books will pass judgement upon him. They will say: 'Who are the people who destroyed this country?' We have to buy everything from overseas. Where are we going to get the money to buy all our petrol, to buy all our motor cars, to buy everything in our houses and to buy the clothes on our backs?
Let me turn to food—and people in this place laugh at me about this. This country is now a net importer of pork. It is a net importer of seafood. It is a net importer of fruit and vegetables. It is only a matter of time. As I said, it is 103 per cent every 10 years, the last time I looked, and a 21 per cent increase in exports every 10 years. Inevitably—as the sun rises—we will become a net importer of food. You cannot eat live cattle or unprocessed grain, but if you take those two commodities out we are getting pretty close, in fact, to being a net importer of food. People in this place have laughed at me, but the people of Australia are passing judgement upon them, already, as we talk.

Where are we going to get this money from? We have only two things now that we export, and everyone knows that they are iron ore and coal. I am not here to denigrate those industries. In fact, I pray every night of my life to the good Lord that it does not come to pass, the continuation of what we are suffering in the thermal coal industry. But I would not like to be backing myself in, and I will not go into the problems of the thermal coal industry. What you have is what you have, in iron ore.

The country has to buy everything from overseas—and all they have to buy it with is iron ore and coal. A little bit of gold. Of course, aluminium is doomed. Aluminium is electricity. It came to Australia when we had the cheapest electricity in the world, in Queensland. Australia now has the second highest electricity charges in the world. So it will be bye-bye aluminium. It will be bye-bye all mineral processing, because it all depends upon—and I am sick and tired, in this place, of hearing 'It's high wages that are killing us!' Wages look pretty bloody small when compared with the cost of mineral processing, which is the cost of electricity.

It is due to the incompetence of the people in this place and of state governments who have taken electricity charges up 400 per cent in 10 years. That is what your free markets and privatisation have done: 400 per cent increase, in electricity charges, in 10 years. For 10 years before that, in Queensland, there was no increase at all. For 10 years before privatisation and a deregulation of the pricing mechanism we had no movement in price at all. My case rests. It dooms aluminium and it dooms mineral processing, so you are left with iron ore and coal. The income from iron ore and coal—maybe $150,000 million or whatever it is—is not enough to meet our imports. It is nowhere near enough.

You are living in a country that is going broke at 100 miles an hour. You cannot buy everything from overseas when you have nothing to sell overseas. The people in this place with their market fundamentalism, their fanaticism, have imposed upon Australia a regime that no other country on earth has to suffer under. Every other farmer on earth gets 40 per cent of his income from the government. Our poor farmers get six per cent. I conclude on that note. So much for your free trade. *(Time expired)*

**Ms MARINO** (Forrest—Chief Government Whip) *(18:05)*: On the back of the previous speaker, the comments I frequently hear from farmers, in my part of the world, are that they look for market access and, so often, I hear the term 'level playing field'. That can be farmers or anyone else in business and industry. The future prosperity of Australia relies on bilateral trade agreements, which is why I support this Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015. The coalition government has secured a landmark deal for Australia with the China free trade agreement. No-one could dispute this fact. It is an historic agreement, without any question. It is an outstanding achievement of this government coming on the back of successive free trade agreements with Japan and Korea.
I want to acknowledge and congratulate the Minister for Trade and Investment and his very hard-working team of negotiators and thank them for their efforts. I have no doubt there were some very robust discussions in the process of all of these free trade agreements. They will look back and know that they were part of a critical agreement between Australia and China. Why? We know that China is both Australia's largest export market and source of imports. We export $107.6 billion worth of goods and services to China or 32 per cent of our total exports. This is divided into goods exports worth $100.1 billion and services exports worth $7.5 billion. In return, we import $52.1 billion worth of product from China, or 15 per cent of total imports. The trade advantage is heavily weighted in Australia's favour.

As I have said, the China free trade agreement builds on agreements already concluded with Korea and Japan. It will give Australian businesses unprecedented levels of access—and they will work on this themselves—to a market of more than 1.3 billion people which includes a rapidly rising middle class. That is an extraordinary opportunity for business. That is what they tell us that it is for them. I can see many Australian businesses fitting into the high-quality niche product areas in these markets, because that is what we produce.

It is all part of a powerful trifecta of agreements with Australia's three largest export markets, accounting for more than 61 per cent of our export of goods. Of course, the key booster for access to trade is both access to markets and the removal of tariffs on products and merchandise exports. Most importantly, tariffs will come down on a range of Australian products—especially agricultural ones.

Some of our goods are subject to tariffs in China of up to 40 per cent. And if you are the producer back in Australia, that 40 per cent is a huge advantage to others in the market. More than 85 per cent of all Australia's goods exports will be tariff free when the China free trade agreement comes into force. On full implementation, 95 per cent of our goods will be tariff free. Importantly for the electorate of Forrest and the south-west of Western Australia, tariffs will be abolished for Australia's $13 billion dairy industry—and I recently read of a deal being done on milk and honey in Western Australia.

Australia's beef and sheep farmers will also gain from the abolition of tariffs of from 12 to 25 per cent. By 2030, the total benefits for beef production are expected to approach around $3.3 billion. All tariffs on Australian horticulture will be eliminated, which is great news for the fruit and vegetable growers in the south-west. The dairy industry says an agreement will lead to the creation of new jobs in the dairy industry in the first year alone. And tariffs on products such as barley, oats, sorghum and millet; certain wood and paper products; and certain base metal ores and their concentrates will be eliminated on entry into force of the agreement.

I note that the National Farmers' Federation president, Brent Finlay, said:

This agreement is a game-changer for Australian agriculture … Common sense has prevailed – there was always too much riding on this agreement for it to be sidelined.

Ratification will mean Australian farmers and agribusinesses can take advantage of the reduced tariffs on Australian food and fibre products as soon as possible. This presents huge opportunities for Australian farmers, boosting economic growth and farm-gate returns.

That is where we want to see it—at the farm gate. The NFF went on to say:
The NFF has maintained the position that the China FTA will create more jobs for Australians on the back of increased food and fibre exports and the positive flow-on effects to our rural and regional communities.

That is something that is very dear to my own heart—two phrases in there: ‘returns at the farm gate’ and ‘benefits to rural and regional Australia.’

It is not just for agricultural products: 75 per cent of our national GDP is derived from services, and we export only 17 per cent of these. There are enormous opportunities for our service providers, especially in education and financial services. In fact, the Financial Services Council says that the increased access that will be given to financial services alone will create perhaps an additional 10,000 jobs between now and 2030 in that sector.

Resources, energy and manufacturing will benefit. We will see tariffs on coal exports to China eliminated within two years of implementation, helping Australian exporters of coal to compete with Indonesian firms that already benefit from preferential access to China.

Alumina is produced in the south-west and shipped out of the port of Bunbury, and we see that alumina is included in the free trade agreement. Cristal Global produces titanium dioxide at Kemerton, and this is also included in the free trade agreement. So I am looking at companies and individual businesses getting particularly busy in these markets. Recipients of preferential status in China have received either immediate tariff elimination or phased reductions over several years for key products, and there has been a tariff disadvantage in favour of Australia’s competitors over time.

So we can see that there will be genuine benefits for business and industry. I could look at the beef sector, perhaps, and at a box-meat deal between processor V&V Walsh, based in Bunbury in my electorate, and China’s Grand Farm. The potential is huge, with thousands of extra lamb and beef numbers needed for this deal alone.

Everyone is aware of the internationally-known, quality Margaret River wines and their opportunity in this market. Perhaps not as many people are aware of the Geographe Wine Region in the south-west, that also produces some fine wines. I would like to see both of these regions benefit by their work in China through this deal. I am sure that local producers will see it as an opportunity and will be working hard on getting into or expanding their access in China.

Timing has been all important. Scheduled tariff cuts are based on the calendar year, which will see an immediate round of tariff cuts, followed by a second round of cuts on 1 January 2016. This will be a real boost to our exporters. They will benefit enormously from two rounds of tariff cuts over, really, a three-week period at the end of this year and in early 2016.

On that basis, there are a lot of reasons to support this deal and I am particularly pleased to support this bill in the House this evening.

**Ms MacTIERNAN** (Perth) (18:14): I rise to speak on the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015.

Of course we must engage with China in trade. Of course we must engage with China in culture. And we must engage with China politically. China is the major force within our region and, of course, is increasingly becoming a dominant player globally. So it makes absolute sense for Australia, as a trading nation, to attempt to liberalise its trading arrangements with China. I want to note and repeat the comments that were made by the...
Leader of the Opposition: it was the Labor Party, the labour movement, that first modernised our relationship with China. The Leader of the Opposition reflected on that historic journey that Gough Whitlam took to the People's Republic of China to open up the relationship with Australia, pre-empting even the US into that area.

But I also want to go back one step further to the 1930s when, indeed, it was the labour movement within Australia that was the first to stand up for the rights of the Chinese people, that was the first to stand up and say that something needs to be done about what is happening in China, that, following the Japanese invasion, the Chinese population was being persecuted. It was not Australian businesses out there—they were still very keen to be selling that pig iron to Japan. It was indeed the trade union movement, so don’t you on the other side lecture us and describe us as xenophobic when the union movement raises these very important concerns about whether, in the detail, this agreement is a good one.

Mr Hutchinson interjecting—

Ms MacTIERNAN: I note the member opposite commenting on the MUA. Indeed it is the MUA and the CFMEU unions—I know your most recent hate figures—that actually have very much in the core of their DNA protecting the rights of workers around the world. Let’s get that historical context right of who it is that is acting as a good global citizen.

We have heard many members opposite and members on our own side talk about the benefits that will come from the China free-trade agreement. And there is absolutely no doubt that there will be significant benefits to come from the China free-trade agreement in specific areas. No-one would possibly in their right mind claim that there are not in fact going to be substantial winners arising out of this. I think it has been pointed out that much of the agricultural sector has a lot to gain from it. But at the end of the day, you cannot just have an assessment of an agreement that just pulls out the winners and describes those winners any more than you can make a rational assessment on the agreement by just pulling out the figures of those that are going to lose. But we do have to understand that we have got ourselves a bit into a mindset here, as the Productivity Commission noted in 2010 when it said:

… the Commission is concerned that, at least in some quarters, there tends to be a mindset of ‘agreements for agreement’s sake’, premised partly on the view that Australia must follow a trend in other countries.

I think this is what we have seen emerge with the current government. They have been very resistant to there being any questioning of the detail of this agreement. They have been very resistant to anyone who might say: this bit of the agreement does not look very good to us or we are concerned by the chapter 10 provisions about the free movement of labour. When you are dealing with a population the size of China, 1.3 billion people, that free movement of people provision for a whole range of contractual services can indeed fundamentally change the whole balance of migration and population and labour market demand in our country, so all of these things have to be subject to some detailed rigorous analysis. Every time that an issue has been raised by the labour movement or by civil society or by the union movement, the only answer we get is ‘You are being xenophobic’, ‘You are not drinking the Kool-Aid’ or ‘You are not going with free-trade agreements’.

Free-trade agreements can be good. You can have balanced free-trade agreements. You can have free-trade agreements that do not compromise your sovereignty. I would argue that this may not be one of those. You can have free-trade agreements that are entered into with a
rational analysis of what we are going to win and what we are going to lose. You can make that public and let us make a determination as to whether or not this is a good thing. I do not dismiss anything that has been said on the other side about some of the benefits, but none of them are quantified. It is all just, 'Let's pick up the stuff that looks good and talk about that,' and not have anything that indeed causes us to reflect and to quantify the nature of the negatives and positives.

I think we need to be a little bit cautious of a lot of the boosterism that has gone on about this agreement. We hear that the service sector will boom. I hope that is true. But many of these sectors are only being given access to the Shanghai Free-Trade Zone; they are not being given access across the entire population—admittedly, I imagine the Shanghai Free-Trade Zone is something in the order of 20 million people but it is certainly not 1.3 billion people. The education sector access is unclear. Some commentators say that the benefit may be as little as being entitled to be listed on a website. Again, we need to get down to the detail. There is much talk about the benefits to our biggest exporters in the resource sector. While I acknowledge that the WA mining industry will benefit from the cut in tariffs for products like alumina, the big-ticket items that we are exporting, iron ore and LNG, are already not subject to tariffs. So it is highly misleading when the minister chooses to say that 92 per cent of Australian resource exports will now enter China tariff-free. Is that an honest statistic when 74.7 per cent already enter in duty-free without this agreement?

So there has been an enormous amount of bolstering to this agreement without the rigorous analysis that we need to make a rational decision, to determine whether or not this is in fact going to be in our long-term benefit, and to ensure that we do keep, on our own shores, within our own community, sufficient skills for us to be able to leverage off and develop new industries. We should not be giving up on manufacturing in Australia. We will not be, and should not see ourselves as, just a provider of services; we are vulnerable in that area. I think people are being quite deluded about this. The ability for Chinese people—very, very skilful Chinese people—to very quickly overtake us in areas of architecture and engineering is already evident in some of the things that we are seeing in Perth, where we are seeing large Chinese firms already doing their own detailed engineering design for civil construction projects in Western Australia.

I believe in globalisation. I think it is good that we have a system that enables the poorer nations of this world to lift themselves out of poverty. But I do not believe that these agreements necessarily all deliver this. I think very often what we see happening is that a privileged few, who are the beneficiaries, both in our country and in our partner countries, are taking the lion's share of the benefit. So, as to much of the talk about the alleviation of poverty, I have a little bit of cynicism because, whilst I actually agree with that principal as underpinning the need for internationalists like those of us on the Labor side to be supportive of globalisation, that is not in fact in detail how these things are really panning out.

I want to end with a couple of quotations from Nobel-Prize-winning economist Joseph Stiglitz when he says:

In short, globalization, as it's been managed, is narrowing the choices facing our democracies, making it more difficult for them to undertake the tax and expenditure policies that are necessary if we are to create societies with more equality and more opportunity.

He also says:
We have learned the risks of unfettered markets for our economy and how to temper capitalism so that it serves the majority of citizens, not a tiny, powerful fraction. So too, we can temper globalization; indeed, we must if we want to preserve our democracy, prevent our rampant inequality from growing worse, and maintain our influence around the world.

So my plea is: I hope this agreement works. I hope it turns out that this is a net benefit for our community. I hope it is a net benefit for the people of China and not just a small few. But for us to know if this has been achieved, it is absolutely essential that we put in place a rigorous mechanism for assessing the short-term, medium-term and long-term impact of this agreement, and I hope that we will do that.

Ms O'DWYER (Higgins—Minister for Small Business and Assistant Treasurer) (18:26): The China-Australia Free Trade Agreement, ChAFTA, is a historic agreement that will provide unprecedented opportunities for Australian households and businesses both large and small.

Not only is China Australia's largest trading partner, but Australia and China also have highly complementary economies. Australia is able to provide the natural resources needed to develop the Chinese economy, as well as food supplies and highly valued services such as education. And it is just a start. With the growing middle class in China, the demand for high-quality Australian products and services is ever-increasing.

As small business minister, I am tremendously excited about the opportunities for small business not only today but for tomorrow. The timing of this FTA is critical for Australia as there is a softening mining boom. It gives us the opportunities now to access a market of more than 1.35 billion people. As I said before, the growing middle class will provide a huge opportunity for small businesses in Australia as they will buy our clean agricultural products and our sophisticated services.

The preferential trading opportunities offered by the FTA are delivered by means of reduced tariffs and regulations for Australian goods and services entering China. Australian goods exported to China are currently subject to tariffs of up to 40 per cent. However, once ChAFTA is fully implemented, 95 per cent of goods will be duty-free. This tariff reduction can bring benefits to our most economically significant export industries. Furthermore, market access will be improved in 40 services sectors from insurance to banking. This will have significant benefits in growing diversification of our exports and broadening what we can offer other nations, thereby delivering a more stable future for all Australians.

Small businesses will also benefit substantially from reduced tariffs and regulations which offer a huge opportunity for growth and for job creation. For example, Fiona Wall Fine Foods, which employs 12 people, already ships thousands of packets of Anzac and choc chip biscuits to China. The implementation of ChAFTA will mean that the current Chinese tariffs of 15 to 20 per cent on biscuits will be eliminated within four years of the free trade agreement coming into force, meaning that Fiona's biscuits will be more competitive than ever in the Chinese market. In fact, Fiona is already looking at a deal that would give her access to another 100 stores in Shanghai.

Even before passing the necessary measures into law to activate the agreement, our increasing engagement with China has started to help small business. Ensitech, a small business which manufactures and supplies world-leading stainless steel cleaning equipment, has already seen an increase in its inquiries. These have come from larger buyers, which
means that the company may be able to set up a distribution point instead of dealing with individual purchasers in the future. Once the agreement comes into full force, Ensitech will also benefit from the elimination of a 9.5 per cent tariff on their products. However, the benefits of ChAFTA do not accrue to just small businesses. More business for companies like Ensitech as a result of the FTA will ultimately lead to more local jobs for Australians.

ChAFTA will of course also bring great benefits to Australian consumers through lower prices on imported goods and services from China. This is inherently anti-inflationary and will support a better standard of living for Australians. The deal will also lead to an increase in Chinese investment in Australia, which will create local jobs on our soil, so Australia can glean benefits from both the export and the import terms of this agreement.

The measures outlined in the FTA are significant, given that for many years Australia has been at a competitive disadvantage when compared to countries like New Zealand, Chile and South Korea, and also the ASEAN group, who all have free trade agreements with China. With competitive access to the Chinese market through tariff reductions and the removal of limiting regulations, the China-Australia Free Trade Agreement dramatically boosts Australia's potential export fortunes. It will also give Australia a significant advantage over major economies with bilateral free trade agreements, including the US. In fact, the China-Australia Free Trade Agreement is the most liberalising deal that China has done with any nation to date, meaning that Australia has been afforded equivalent or superior access in trade of both goods and services to other nations already engaged in an FTA with China. Furthermore, Australia has been given most favoured nation treatment, which means that, if another country negotiates better access to the Chinese market, Australia will automatically receive that access. So we get an edge and we get to keep it. This is extraordinarily good news for Australians, it is extraordinarily good news for Australian businesses and it is reflective of the growing importance of the China-Australia relationship for both nations.

The China-Australia Free Trade Agreement, combined with the free trade agreements with Japan and Korea, will provide excellent outcomes for Australian exporters, investors and consumers, equating to around $24 billion over the next 20 years. These agreements are a major part of the coalition's economic agenda which seeks to boost economic growth and create new jobs. They are an investment in Australian jobs, our future and the region.

Mr Katter interjecting—

Ms O'DWYER: It will create almost 8,000 jobs next year alone. The legislation before us today is the enabling legislation for the China-Australia Free Trade Agreement. It amends the Customs Act 1901 to fulfil Australia's obligations in chapter 3 of ChAFTA, which outlines the rules of origin—

Mr Katter interjecting—

Ms O'DWYER: criteria for which goods will receive preferential access into Australia. This legislation is accompanied by the customs tariff amendment, which will implement Australia's tariff commitments. This is the only legislation required to bring this agreement into force.

The CFMEU and the ETU, supported by some opposite, have been peddling untruths about the China-Australia Free Trade Agreement, saying that it will foreign allow workers unfettered access to the Australian labour market. The reality is that, under this agreement,
there are no changes to migration laws and there are no changes to legislated protections for Australian workers. All temporary visa holders must be paid in accordance with Australian salary and employment conditions. Furthermore, Chinese workers applying for a 457 visa will still have to pass the requisite language and skill requirements. Australia has set a very high bar for allowing temporary foreign workers to be employed here and none of this will change under the China-Australia Free Trade Agreement.

Those leading the fictitious and misleading scare campaign—

Mr Katter: That's a lie.

Ms O'Dwyer: I can hear the echoes of someone who might be put in that category—are putting thousands of jobs on the line that will be created through this very iconic agreement. They are putting thousands of Australian businesses at threat and they will lose millions of dollars if this deal does not go through. Furthermore, they threaten Australia's ability to engage in further trade deals with other nations. If Australia is seen as a country that changes parts of agreements already made or takes years to pass a FTA through the parliament, other countries will be deterred from seeking trade deals with us. In point of fact, I am convinced that to resist this legislation is to resist a better future for the Australian people, all for populist headlines that will not achieve one job here.

What is increasingly apparent is that the broader Australian community do not see any sense in further delay. In fact, you do not need to look too much further than Labor Premiers such as Daniel Andrews and Jay Weatherill who have openly supported the China-Australia Free Trade Agreement, with Daniel Andrews saying:

The Chinese free trade agreement is good news for Victorian jobs ...

That is good news for all Victorians. Further, support has come from former Labor leaders, including former foreign minister Bob Carr, who reiterated that Australian jobs are safe under the China-Australia Free Trade Agreement. Only recently, in The Australian, he said:

... any incoming Labor government would have all the mechanisms it needs to protect ... Australian workers.

Jennifer Westacott, Chief Executive of the Business Council of Australia, said:

Australia can't afford to have a lack of bipartisanship on ChAFTA, which is one of the most important trade opportunities in our history.

Most reasonable people know that the China-Australia Free Trade Agreement is exactly the sort of initiative that Australia needs. Until recently, federal Labor was in real danger of being led by a very fringe group within the Australian parliament: the economic luddites of Australian politics. Happily, today they have agreed to pass the China-Australia Free Trade Agreement, and we congratulate them for coming to the realisation that most Australians have had for some time.

There is a powerful economic imperative for the China-Australia Free Trade Agreement to come into place before the end of the year. If it does, we will get a double cut in tariffs, one for 2015, and then another for 2016. A delay in the implementation of the agreement could see a loss of up to $300 million to the agricultural sector, and $110 million to the minerals industry. Our nation cannot afford to delay this agreement.

Mr Katter: You told us that with the United States one.
The SPEAKER: Order! The member for Kennedy is warned.

Ms O'DWYER: So, I would commend this legislation in support of a historically important agreement, an agreement that delivers benefits for our export industries, investment benefits in multiple sectors, and cheaper everyday goods for Australians. We can expect to see growth in employment through this investment, export performance, and a more stable future as we become less single point sensitive to the mining boom—the mining boom that is coming off. In closing, I urge our reluctant supporters opposite to get on a bus that is heading for a prosperous future, and stop letting down its tyres.

As Minister for Small Business I happily stand behind the China-Australia Free Trade Agreement. It will provide enormous opportunities for our services sector and the goods we produce and export. To those opposite I say: get out of the way of what will be economic progress, more jobs and more investment for our country, and a more prosperous future for all.

Mr BANDT (Melbourne) (18:38): Well, parliament has drunk the Kool-Aid. Labor and the Liberals have well and truly drunk the Kool-Aid, and presumably we are sitting here late tonight because at the appointed hour the free trade saviour is going to come and take us to a better place. Never has there been a more apparent instance where bipartisanship, when it chooses to ignore the evidence and ignore government departments, flips over into collective self-delusion. When you have not just the unions but also the Productivity Commission and the Treasury saying, 'Hang on, we don't think the benefits are actually what you say they are, and we think the costs are much higher than anyone is talking about,' perhaps we ought to sit down and take a closer look. But, instead, parliament is being given a 'take it or leave it' agreement containing a provision that not even John Howard was prepared to sign up to, that has no analysis by Treasury or the Productivity Commission of its benefits, and contains holes so big that you could fly plane-loads of exploited and underpaid overseas workers through them.

If there was ever any case for saying that our treaty-making process is broken, it is this. When we are being given a 'take it or leave it' agreement, where all of the stakeholders and the Treasury and the Productivity Commission do not get the chance to look at it beforehand, and we are being told to take it on faith that it will deliver all of these wonderful benefits we are told about, and then we are being told to sit here till as late as necessary to pass it through, parliament and the treaty-making process are well and truly broken.

We need to reflect on something our Prime Minister and opposition leader are about to do. Malcolm Turnbull and Bill Shorten are about to agree to something that not even John Howard would agree to. Parliament is about to rubber-stamp an agreement that contains a provision that will allow overseas corporations to sue the Australian government when it passes laws that are in the public's interest but that affect the profits of these companies. These clauses are called investor-state dispute settlement clauses, or ISDS clauses. What it means is that when parliament passes a law that says we want to protect people's health or we want to look after the environment, then, a company from China, in this instance, is able to come and sue the Australian government and say, 'You are affecting our profits and we want that law changed.' Those cases are then dealt with by a secret panel—not a panel of judges but of appointed people on a secret panel—and they get to decide whether or not parliament gets told to change its law. In other words, an overseas company is able to say, through a secret
disputes panel, that the Australian parliament must change its law. Members opposite are saying this is simply not true.

The investor-state dispute settlement provision contained in this agreement is open-ended. It says that we want our companies to have the right to sue an Australian government over a variety of matters, and we will get around later to telling you what those matters are. When DFAT gave evidence to the Senate inquiry about it, they said that China will know what it wants in these clauses, once it has completed bilateral negotiations with the EU and the US. In other words, we have to wait for a couple of years to find out what this agreement will contain that will allow overseas companies to sue Australian governments.

In Canada, the government said they wanted to put a moratorium on coal-seam gas development, until they worked out what it meant for people and for agriculture, and a company sued them for it. They said they wanted to restrict the use of certain pesticides or fertilisers, and they got sued. The thing about getting sued is that it does not matter what the outcome of the case is a lot of the time. The fact that governments worry about getting sued means that governments are less likely to pass laws that protect people, the environment, farmers and the local economy. That is exactly what these agreements are about. It is not about free trade. It is about a new blueprint that means the Australian parliament and Australian democracy is subservient to a panel that gets to decide what happens when a corporation sues a government.

The benefits of this agreement are overstated. We have been told that this is a cornerstone of Australia's future prosperity. We have been told that this will usher in an era of unprecedented growth. Okay, so give us some evidence. If that is the case, you, the government, have a whole series of departments at your disposal. You have the Productivity Commission at your disposal. Give us some evidence about the benefits that are going to come from it.

One of them, we have been told, is jobs. We have been told that tens of thousands, if not hundreds of thousands, of jobs are going to flow from this. In the Senate it has been said by the government that modelling shows that, as a result of all the free trade agreements, 'between 2016 and 2035 there will be 178,000 additional jobs, on average 9,000 extra jobs a year'. They based that on a Centre for International Economics report. There was nothing from the government, nothing from Treasury and nothing from the Productivity Commission. What they did not realise was that they had misread the table. The table went through and said, 'In this year, here's how many jobs it will create; in the next year, here's how many jobs it will create.' That was a point in time; it was not cumulative. The government added it all up and said there would be over 100,000 new jobs. Do you know what? When you work out from that report how many jobs are going to come from this agreement and make an estimate, you see that there will be about 3,300 jobs by 2035. That is the only evidence. If that was wrong, you would imagine that the government would line up with Treasury paper and Productivity Commission paper, saying, 'You've got it wrong.' They do not—because they have drunk the Kool-Aid and they want us to drink it, and they are not prepared to come with anything other than rhetoric. I am not prepared to accept rhetoric.

What we do know—and, again, the government has not contradicted this—is that, when we remove tariffs, we remove revenue from tariffs. In other words, over the next 20 years expect the impact from this agreement to be a $40 billion hit to the budget. Forty billion dollars for
3,300 jobs is about $12 million a job. Thanks to this government, we are paying $12 million to create one of 3,300 jobs.

This parliament is choosing, because of this collective delusion that Labor and Liberal are buying into, to ignore what Treasury is saying. When Treasury appeared before the Senate committee and were asked about it, they said that, if they incorporated the supposed benefits of these trade agreements into our nation’s forward projection of GDP, it was not substantive enough to make a difference. That is what your Treasury said—’Not substantive enough to make a difference.’ Your Productivity Commission said, ’We don’t think the benefits are what we they are said to be; give us a chance to model it,’ but they were told, ’No.’ You would imagine that the government would be lining up report after report, and they cannot, and Labor has swallowed it. We are told that tariff reductions are going to mean so much for exporters. When it comes down to a few cents per bottle of wine or per serve of beef, you do not have to think very hard to realise that the movement of the Australian dollar overnight could completely wipe that out. We have more to worry about for our exporters with the level of the Australian dollar and its rise and fall than we do with tariffs. You would imagine again that the government would come along and make a persuasive case, and they have not.

They are also hiding from the very important question of what this means for the workforce, here and overseas. There should be a simple starting point. Whether you come from overseas or whether you are local, everyone should be paid local wages and conditions and no-one should be exploited. That should be the simple starting point. But, as I said, in this agreement today, because Labor has caved in to the government, we are now about to pass an agreement that contains no protections that will be enshrined in legislation. The only minimal protections that have been negotiated—and I will come to the quality of those in a moment—are in regulation. In other words, Labor is saying to us, ’We are putting our faith in the Liberal workplace relations minister of the day not to repeal those regulations, and that's good enough for us.’ What we do know is that there are holes in this agreement that are big enough to fly planeloads of underpaid and exploited overseas workers through. What is crystal clear is that there is a whole category of visas and workers available under this agreement—they are called contractual service suppliers—that will not be touched by anything that the Labor opposition negotiated today. At least the Leader of the Opposition had the courage to admit that in parliament, when he said today:

Labor still remains concerned at how broadly the government has defined 'contractual service suppliers' in chapter 10 of ChAFTA given its agreement to remove labour market testing for these workers.

What does that mean? It means: if you are a company here, you can bypass any requirement to advertise locally just by badging one of the workers that you are importing as one of these contractual service suppliers. They could be an engineer, an electrician or a retail worker. You could bring them in and not have to go through the process of advertising locally.

Mr Katter interjecting—

The DEPUTY SPEAKER (Mr Goodenough): Order! Member for Kennedy.

Mr BANDT: When people are needed in Victoria to maintain our electricity network—

Honourable members interjecting—

The DEPUTY SPEAKER: Order! The member will be heard in silence.
Mr BANDT: the electricity network that powers everyone's homes—most people would expect that you would at least advertise locally for people to work on it and that you would go overseas if you could not find local labour. Now you just have to call someone a contractual service supplier, or call them an installer under another provision, and you get to bypass all these so-called protections that have been negotiated and you just get to bring them in. That is why these so-called protections have massive holes in them and why we should not be supporting this agreement. It is another of the reasons that we should not be supporting this agreement. I could go on. There is nothing in this agreement about ensuring that minimum environmental conditions are not undercut. That could have been something that was negotiated and it is not there. So we are given a take-it-or-leave-it agreement that, as I said, contains a provision that not even John Howard was prepared to sign up to.

We have, in many ways, a crossing of the Rubicon here. This parliament, with the full support of the opposition, is about to sign up to something that contains an ISDS clause—an open-ended ISDS clause. If we are about to do that—

Ms Butler: You've already done it!

Mr BANDT: Sorry—sign up to an open-ended ISDS clause before? There are interjections that we have already done it. I do not recall this parliament ever signing up to something that says we are going to sign away our sovereignty to some overseas corporations and they will tell us about the range of matters later. This is pretty unprecedented.

Here we have a situation where standing up for sovereignty, standing up for a basic principle that says we should advertise locally first and then welcome someone in to come and work here afterwards if we cannot find local labour—the basic principle that says, 'Let's have some evidence of economic benefits before we pass it'—is being completely abrogated. This government, which came up and tore shreds off Labor, when it was in power, for not having a Productivity Commission analysis of the NBN, is now asking us to sign up to something that does not even have a Treasury analysis, a Productivity Commission analysis or any reputable analysis underpinning it. Well, I am not prepared to do that. I am not prepared to say that this parliament will write an open-ended cheque to overseas companies and that they can tell us how we are allowed to legislate for the benefit of our people. I hope that the rest of the parliament does not either.

Mr HUTCHINSON (Lyons) (18:53): One could feel so depressed. But then, I realise: we should all give thanks this day that never will the member for Melbourne or his cohorts—Ludlam, Whish-Wilson, McKim—be on the government benches. Australians should give thanks today and every day that that is the case. So little faith in the future and the capacity of our country—watermelons: green on the outside but as red as can be on the inside. We have seen it before in Tasmania. The comments that the member for Melbourne made around the ISDS clause are simply, absolutely and utterly false. The examples he gave have been excluded in this agreement, as they have been in the Trans-Pacific Partnership Agreement. The man is living in the past.

This agreement, which I am very proud to speak about today, is tailor made for my home state of Tasmania. I think it was epitomised when not so long ago I had the pleasure of meeting Xi Jinping, the President of China, and his wife, Madam Peng Liyuan, when they visited Hobart. The thing that will be crystallised in my mind for years to come is the image of the President and his wife with the then grade 6 students—when they first wrote to him
they were in grade 5—from Scotch Oakburn College in Launceston. The way the President embraced these young people and the initiative they and their teachers had shown is, I think, what the future is all about. I am fundamentally an optimist. China is a country of 1.3 billion people, and with the economic growth we have seen in China in the past 10 years there are opportunities for our country with the highest-quality agreement that has been signed today, and I appreciate the support of the Labor Party here in being able to do that.

Indeed, the legacy of this government has been an investment in infrastructure, and the free trade agreements—whether with Japan or Korea or, more recently, today, the Chinese free trade agreement—are indeed the economic infrastructure. Here we have delivered the third piece of the trifecta, and it is all about the future and all about opportunity. I believe that Australians—and Tasmanians particularly, and Tasmanian businesses—are up for this. The innovative people in my home state of Tasmania who have participated in so many world-leading initiatives all around the world over many, many years are absolutely ready to take advantage of these new opportunities that we will see.

I must take this opportunity to thank Minister Andrew Robb and all those departmental people. The slurs that are being made by some in this place today are not only criticism of the government but also criticism of the fine people within the department who have negotiated an agreement of the highest quality for the future of our nation. I represent a rural and regional electorate, and it would be remiss of me not to talk about the benefits that will flow to agriculture directly and to manufacturing businesses indirectly as a result of that negotiation. I welcome today the announcement by the Tasmanian Farmers and Graziers Association in their press release, encouraging and being very grateful for the support that the Labor Party has provided for the ratification of and support for this agreement. This is a really good thing.

But to get to the specifics of the benefits for my state in terms of agriculture—the removal of all tariffs on our dairy products—Tasmania is now nearly the second-largest dairy producer in the country. We will produce probably within 12 months nearly a billion litres of milk, and 98 per cent of that will be processed and exported. Some of those products have tariffs as high as 20 per cent, and within four to 11 years they will all be removed. I think of businesses in my electorate like Ashgrove Cheese at Elizabeth Town, and Pyengana Dairy up in the north-east. But I think of the many, many more—the scores of dairy farmers around the state—who are supplying those factories and businesses up in the electorate of my colleague the member for Braddon, in Burnie and Smithton.

Regarding the removal of 12 to 25 per cent of tariffs on beef over the next nine years, I think not only of processors such as Tasmanian Quality Meats, the Regional Exporter of the Year in 2013, and of all the employees at JBS Swift's facility at Longford in my electorate but also of the hundreds of farmers around my electorate who will be receiving—no question at all—better prices for their products in years to come.

The same applies to sheepmeat—between 12 and 23 per cent over the next eight years. I think of those very talented farmers such as the Bond family from Cressy, the Toll family from Cressy and the hundreds of other farmers that are supplying high-quality lamb from my home state of Tasmania.

There will be benefits for the wine industry. Many here would have appreciated the 'Flavours of Tasmania' that was held in this place last Wednesday night, perhaps the best
annual event held in this place. Over the next four years, tariffs on wine will be reduced by between 14 and 20 per cent. That will benefit the nation's leading producer of pinot noir, the Brown Brothers, who operate in my electorate between Bicheno and Swansea on the east coast of Tasmania. It will also benefit medium-sized producers like Bec Duffy at Holm Oak, Andrew Hanigan at Derwent Estate and Michael Dunbabin at Milton who are looking to grow their businesses.

I think many people in this place have heard the stories about horticulture, but there is Tim Reid and the expansion that he has seen as a result of the Korea free trade agreement. He sold between six and eight tonnes for the last five years; take off a 23 per cent terrif and he went to 180 tonnes. The opportunities for growth will expand with the China free trade agreement. I think of people like Tim Reid in the Derwent Valley in my electorate and Howard Hanson growing cherries in the Derwent Valley.

I thank Minister Robb for the work he did on wool quotas. Australia now has a country-specific access quota and that is an advantage for an industry that has been very good to me over many years.

Seafood is another product that my state is well-renowned for. I recently went with a crayfisherman out of Eaglehawk Neck. He said that, as a result of the Korean agreement, the price of crayfish has been spurred on and it basically saved his boat. He had his quota cut by the state government, but he is receiving higher prices, largely with Chinese buyers. The Korean free trade agreement enabled him to keep his boat.

I think of Craig Lockwood an oyster producer at St Helens in my electorate on the northeast coast; John Lilly, who owns the abalone farm at Bicheno; and Julian Wolfhagen, who is a honey producer. And I think of the larger manufacturers in my state—Nyrstar in the member for Denison's electorate and Pacific Aluminium. All of these businesses will benefit.

There is the opportunity for pharmaceuticals from the removal of tariffs, including the removal of tariffs on vitamins and other health products. The Minister for Innovation, Industry and Science made mention of this: the relationship that Tassal in Triabunna in my electorate has with Blackmores, and the opportunity to expand their markets around the world. This is indeed a great story for my state.

Services have been touched on and others have spoken on this to a greater extent. Seventy per cent of Australia's economy is made up of services, yet only 17 per cent of our exports are in that space. I think particularly of the largest of those services exports, the tourism sector. The opportunity for my state is enormous. We will see more Chinese visitors coming to Tasmania and more students wanting to study at the University of Tasmania. This is a good thing.

I think of Peter and Elizabeth Hope and the Elizabeth Hope baby club. As a result of the China free trade agreement and the ability to own profit-making health services in China for the first time ever, they are expanding their baby club with water being supplied out of my home state and milk powder currently being supplied out of Victoria to the growing market of mothers who want the highest quality products for their babies.

I look forward to the roadshows that will support the small and medium enterprises in my electorate and encouraging them to take full advantage of what is a wonderful agreement for
Mr THISTLETHWAITE (Kingsford Smith) (19:04): The China-Australia Free Agreement that was negotiated by the Abbott government was a good deal for Australian businesses. But Labor's amendments and improvements make this a good deal for Australian businesses and for Australian workers. The Liberals always forget about the workers. They always forget about the little person. The original ChAFTA forgot about Australian workers. In fact, it disadvantaged them.

We have this side deal, this memorandum of understanding, which provides for investment facilitation agreements. These agreements are new. They have never been negotiated in a free trade agreement in the past. They provide for Chinese companies that fund infrastructure projects above a threshold of $150 million to bring in foreign labour without testing the Australian market, without first offering those positions to Australian workers. You can see how this government forgets about Australian workers. Labor's general amendments to some of the migration regulations will address this injustice.

I want to congratulate Senator Penny Wong, our trade spokesperson, who has managed to negotiate some substantial amendments to Australian regulation to fix this injustice that was done to Australian workers. With these new provisions in the migration legislation, before entering into a work agreement which includes these investment facilitation agreements, the subject of the MOU, the responsible minister will be required to have regard to whether the agreement will support and create Australian jobs—a labour needs statement provided by the employer demonstrating why they need to utilise temporary skilled migration; a training plan adopted by the employer showing how they will improve the skills of local workers; and whether the 457 visa workers will be able to transfer skills to Australian workers. Also included in this package is an overseas worker support plan, showing how the employer will provide 457 visa workers with support and assistance during their stay in Australia, including information about workplace entitlements and community services.

These additional amendments will also provide the minister with the power to impose additional safeguards on work agreements to ensure that they have a positive impact on Australian jobs. They will also require the minister to publish a register of work agreements entered into and to report annually to the parliament on the operation and impact of those work agreements. These are additional protections that Labor has negotiated on behalf of workers to ensure that their interests are not forgotten under this China free trade agreement.

The agreement that was made by the Abbott government also potentially undercut Australian workers' wages. Again, Labor have sought to rectify this. We have done this by pegging the standard work visa to the relevant EBA rate of pay. So the enterprise bargaining agreement that is relevant to the particular industry that the 457 visa worker will come into will be pegged to the rate of pay in that particular job. That will be enshrined in regulation. This is a safeguard to stop Australian wages being undercut by these deals.

Labor are also protecting Australia's workers' interests when it comes to the licensing, qualifications and standards of foreign workers who may come to work in Australia. The China free trade agreement would have relaxed a lot of those protections that exist to do with the certification and licensing requirements of workers from overseas, particularly those at a
trade level. In the past, there have been free trade agreements done where there has been a relaxation of some requirements at a more senior level but never before with tradespeople. The China free trade agreement went to a new low when it came to this sort of thing. Because of this, Labor opposed this deal. We have been able to strengthen the visa conditions for overseas workers in licensed occupations by strengthening the enforcement of the skills assessment and occupational licensing requirements by creating new criteria and conditions for 457 visa workers in occupations where it is mandatory to hold a licence, registration or membership. The new criteria will require visa applicants in these occupations to either hold the relevant licence when they apply for the visa or demonstrate that they meet the requirements for obtaining a licence. These criteria will need to be met for the minister to grant a 457 visa.

The new visa conditions will require 457 visas holders in licensed occupations: not to perform the occupation before obtaining a licence; to obtain a licence within 60 days of arriving in Australia; to provide the department with documentation showing they hold the licence and showing any conditions or requirements imposed on their licence before they perform the occupation; to comply with any conditions on the licence; not to engage in any work which is inconsistent with the licence or conditions imposed on the licence; and to notify the department of any changes to their licence or the conditions imposed on their licence. This is a set of important protections that will ensure the integrity of Australia's licensing and trades qualification system when it comes to, in particular, tradespeople such as electricians, carpenters and plumbers. Once again, this represents Labor protecting the interests of Australian workers when it comes to these sorts of deals.

These are positive amendments that Labor have been able to secure. They are not specific to one particular trade deal; they apply generally. We are not discriminating against one group of workers at all. They will apply generally. So we have been able to improve not only the conditions associated with this particular free trade agreement but also the conditions associated with other free trade agreements. That is a positive step for Australian workers. On the whole, with this deal you will get freer trade between Australia and China but also greater protection of the interests of Australian workers. Under Labor you get a better free trade agreement. The benefits will flow not only to businesses but also to Australian workers and their families.

I want to make some general comments in respect of the provisions of the agreement. The focus has generally been on goods and agricultural products. There have been some positive advances in freeing up trade and having greater access to markets for Australian products. That is good. But I believe that the real benefit from this trade agreement will come in the area of services. China now has the world's largest middle-class. It occurred this year that they surpassed the United States. There are 110 million people in the middle class in China now and there is a growing demand for services. The China free trade agreement will grant Australia and Australian businesses the best offer that they have made on favourable service commitments in a free trade agreement. This is a big advance for Australia. Aside from Hong Kong and Macao, Australia will have the greatest access when it comes to services in the Chinese market, providing those services to the largest middle-class in the world.

Associated with this is a 'most favoured nation' provision in the agreement, which means that, if China were to negotiate a better deal with another nation, the deal would be
reciprocated with Australia. This will mean improvements in a number of areas, particularly legal services. Australian firms will be able to establish commercial relationships with Chinese law firms in the Shanghai economic zone. Australian businesses will get access to a new market for economic services and the ability to advertise on particular educational websites throughout China. Telecommunications businesses, financial services businesses and tourism businesses will benefit from this as Australia supplies, constructs, renovates and operates wholly owned Australian hotels and restaurants in some parts of China. Importantly, this will also apply to aged-care and healthcare services.

Like Australia, China has an ageing population. It will have one of the largest populations above 60 years of age in the future. There is a big opportunity for Australian aged-care providers and health service providers to access that growing market. As I said, as the Chinese middle-class expands, that appetite for services—aged-care services, in particular—is going to grow. The focus has been on agriculture and goods, but there also needs to be a focus on the service agreements that are made through this because I believe that they are a great advance for Australia.

On the whole, it is a positive result for Australia. The amendments that Labor has been able to secure ensure that the benefits of this trade agreement flow not only to businesses but also to Australian workers and their families. We have been able to ensure that businesses have greater opportunities in Australia, but we have protected the integrity of Australian workers' wages and conditions from the competition that is inevitably going to come from Chinese and other sources of foreign labour into the future. It represents Labor getting a better free trade agreement for Australia.

Mr CRAIG KELLY (Hughes) (19:15): The transformation that we have seen in China over the last 25 to 30 years simply has no historical precedent. At no time in human history have so many people lifted themselves so quickly out of poverty. They have done so using that old tried and tested method—they abandoned collectivisation, they abandoned central planning, they encourage entrepreneurship and the starting of small businesses and they unleashed market forces in their economy. They combined that with providing their people and their businesses with abundant low-cost energy—and, as always, that is what drove their prosperity. Yet it amazes me to hear the contribution from the member for Melbourne and the contributions from so many other members that sit on that side of the chamber. They simply deny those very factors that have been the reason for lifting people out of poverty and they want to go back to those old failed methods.

Before being elected to parliament, I made countless trips to China. I first went to China when you flew into the old Kai Tak airport in Hong Kong, and you would come in on a bit of an arced angle over the city and over the hills and over the mountains. I have travelled often through Guangdong province, travelling by car from Zhongshan to Dongguan and back to Zhuhai and Guangzhou. I have travelled countless miles over many trips. Over the years, each time I went I would see these amazing and remarkable changes. You would not even recognise towns and cities that you once went to when you went back to them a year later. One time you would be driving down an old, potholed road. You would be competing with people on bicycles and with horse-drawn carts, donkey-drawn carts and old broken-down trucks. You could come back to that same place 12 months later and there would be a
multilane expressway with a median strip full of miles and miles of plants and flowers down the middle.

I have seen it in the development of their retail shops in their towns. You would go to an old town and you would see what would normally be retail shops, but they were little more than workshops facing the street with old roller shutters. You could come back 12 months later and that same area would be a boutique with a glass front and lighting that was the equivalent of anywhere in the world. I have also seen it in their sporting facilities. Mission Hills golf club, just north of Shenzhen, is a place that has come from basically nowhere to now have 11 championship golf courses. It is the largest golfing sector in the world. I have seen it in food. On some of the early trips I made to China I would fill my suitcase with Mars bars and a few snakes and a bit of bottled water because the food was almost inedible. When I went on later trips, the food would be the equivalent of anywhere in the world.

That is what we have already seen. That is exactly where we are now. Yes, we buy a lot of goods from China. We buy $50 billion worth of goods from China, everything from sporting equipment and electronic goods to clothing and footwear. People think we are inundated with all these imports from China, as we have heard in some of the speeches here tonight. We import $50 billion worth of goods from China. But we last year we sold $100 billion worth of goods to China. We sold China goods worth twice as much as all those goods we were importing from them—and that is just where we are today. This is only going to improve.

We are seeing a growing number of Chinese middle-class consumers. We know China has not drunk the Kool-Aid on global warming. They are continuing to roll out coal fired power stations. They are continuing to lift hundreds of millions of their people out of poverty. This creates boundless opportunities for Australian individuals and businesses, both large and small. These opportunities are of gold rush proportions. As a government, we can only do so much. We can get these free trade agreements into place. We can lower the tariffs. We can lower the duties. We can lower the quotas. But ultimately it will be up to Australian businesses and our entrepreneurs to take full advantage of this free trade agreement.

Recently there has been some famous dud predictions about what goods will be sold. I will go to a few of those dud predictions. Recently someone said, '… even the rain that falls isn't actually going to fill our dams …' But I would like to give you another dud prediction. This was from a former China free trade sceptic, a Mr Bill Shorten, before he was a member here, and he said:

What is it that we're going to sell China in the future that we're not selling them now? I would say, 'What can't we sell to China in the future that we're not selling to them now.' It is not just agriculture. It is not just manufactured goods. It is all the services. I would say to anyone in the Australian economy today, whether you are in sport or in arts or in industry, you should be looking at what opportunities there are for you in China.

As a nation, we need to become more export oriented. After all, 98½ per cent of the world's economy is beyond our shores. This free trade agreement gives those opportunities to Australian companies. I would encourage every company, irrespective of what business that you are in today, to think about it and look at it and maybe take some of your profits or some of your capital and invest it into a trip to China to participate in a trade show and see what opportunities are there for you, because, as I said, these opportunities are of gold rush proportions for our nation.
I would like to quickly respond, in the shortened period of time, to some of the comments made by the member from Melbourne. He talked about jobs and asked what evidence there was that this would create jobs. Since 2007 we have already seen another 100,000 jobs created in this economy that are directly involved in exporting to China. You only have to look at one small example, the vitamins company Blackmores. Over the last 12 months, even before the extra access to the market has come in, they have increased their sales from $2 million to $70 million. That has enabled them to create 100 new jobs at Warriewood on Sydney's North Shore. Their British-born CEO, Christine Holgate, recently said, 'There has never been a better time to be an Australian.' With that I concur. She is exactly right.

I would also like to comment on what the member from Melbourne said about the tariff reductions. He does not seem to understand that those tariff reductions actually mean that Australian consumers, the average workers of this society, will get cheaper goods. That is what they mean. Tariffs are an extra tax on the goods that consumers buy. Removing those tariffs means that the retail goods that consumers buy—clothing, footwear, motor vehicles or whatever—become cheaper to the Australian consumer.

Also, on the issue of investor-state dispute settlements, this is something which is very easy to mislead people on by giving them false information, and that is exactly what we saw from the member from Melbourne, unfortunately, tonight. It is clear you need some type of investor-state dispute settlement mechanism if disputes arise. This is important in order to have confidence in investment. Chinese companies are not going to invest in Australia and, likewise, Australian companies are not going to invest in China if they are not sure those investments have some stability under the rule of law. That is what the investor-state dispute settlement provides. There is nonsense that goes on about environment and all this. In the provisions that are part of this agreement, there are general exceptions for all measures that protect human health and the environment. So the examples that the member from Melbourne gave simply do not apply. If it has to do with human health or the environment, those investor-state dispute settlements do not apply.

The schedule also has reservations which allow Australia to maintain our existing measures and reserve policy space to maintain or adopt new measures in sensitive areas, including security, human health and the creative arts. I would say those investor-state dispute settlements are, on balance, of greater advantage to Australia, because, if there is a case where an Australian company is investing in China, to create more exports to China, and there is a dispute with the Chinese government, the company has these investor-state dispute settlement regulations there to rely on.

This is a wonderful achievement of the coalition government. This free trade agreement will create more jobs. It will create higher-paying jobs. It will create greater wealth. It will create lower prices for consumers. But most of all it will create opportunity. This is a wonderful achievement of the coalition, and I commend it to the House.

Mr MARLES (Corio) (19:26): I rise to support the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015 and the Customs Tariff Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015 and acknowledge the significant moment this represents, both in the economic history of our country and in the way in which this parliament has operated to deliver the best outcome that we can deliver in terms of the way in which the China free trade agreement will operate.
The *Australia in the Asian century* white paper that was delivered by the former Gillard government was, in my view, one of the most important economic narratives that came from the Rudd-Gillard era. Its thesis was that, as a small country of 23 million people, we were unlikely to be able to maintain our standard of living unless we were an active trading nation and that what we had on our doorstep was the most significant social phenomenon that we are seeing in the world today, and that is the rise of the Asian middle class, and we are particularly seeing that in China. That represents an enormous opportunity for the Australian economy in terms of providing both goods and services to that rising middle class, in circumstances where ours is of course an economy geared to providing goods and services to our own middle class. You cannot be in that space without having a free trade agreement with China, which is why we have, on this side of the House, always supported the idea of a China free trade agreement and why we pursued that throughout the Rudd-Gillard era.

And all of that, of course, is an extension of what you saw during the Hawke-Keating governments—a much greater integration between Australia and the East Asian economies. We saw that with the establishment of APEC, which was one of the critical achievements of the Hawke-Keating era. You can go back further, to the Whitlam government. Indeed, Gough Whitlam as Leader of the Opposition in 1971 visited China—and

The DEPUTY SPEAKER (Mr Broadbent): I can go back that far too. I don't think you can!

Mr MARLES: Indeed. And, in this month in 1973, as the Prime Minister, Gough Whitlam visited China and began the process of establishing diplomatic relations between us and that country. Indeed, we can go further—I do not know whether you can do this, Mr Deputy Speaker—back to 1947 and Doc Evatt's participation—

The DEPUTY SPEAKER: No. You got me!

Mr MARLES: in the Asian Relations Conference in New Delhi. The Chifley government was focused, in the immediate postwar era, on seeing Australia's future embedded in Asia and the need for us to participate in that growing economy. The foresight then and that line of action that you have seen through successive Labor governments demonstrate the fact that a China free trade agreement—what we see before the parliament now—and what we saw with the *Australia in the Asian century* white paper are part of a long Labor tradition, both of liberalising trade and of engaging with Asia.

I saw this firsthand when, along with the then trade minister, Dr Emerson, I led a trade mission to China on behalf of the Australian government—the Australia-China 2.0 Trade Mission—back in 2011. We went to Guangzhou but we went to a series of secondary cities as well—Changsha, Wuhan, Chengdu, Jinan and Chonqing—and saw the enormous opportunity coming from the growth of the Chinese middle class.

This was a trade mission that had 100 Australian businesses across a range of activities, many involved in services. It included John Bilmon, from PTW Architects, who was the principal architect involved in designing the famous Water Cube where the swimming events were held at the Beijing Olympics. He saw the opportunity of providing his services to the Chinese economy. We had people who were engaged in environmental services, education, training, banking and the list goes on.
As trade minister I had the great opportunity of visiting Beijing, in July 2013, when I participated in the negotiations for the China free trade agreement. I remember being advised by the department of the dairy industry and what this agreement would mean for them. It is an instructive example about the opportunity this represents for the economy as a whole. Back in 2008 the dairy industries in Australia and New Zealand were about the same size. That was the year New Zealand signed its free trade agreement with China. In the five years between then and 2013 we saw a massive increase in New Zealand dairy exports to China—something like a tripling of those exports—to a point where that industry was almost twice the size of the Australian industry just five years later. In 2013 there were 40,000 Australians, I was advised, working in the Australian dairy industry. That example demonstrates the opportunity to be gained from this agreement, and you can replay that in respect of beef, wine and a whole lot of agricultural services.

That is an instructive example of the opportunity this China free trade agreement represents for Australia's economy. It needs to be, and we have always believed it has been, a critical economic plank of our future strategy for goods and services—the opportunity for Australian universities to participate more in China, the opportunity for Australian banks, architecture firms, law firms, environmental services and the like. The opportunity of a free trade agreement with China is immense.

That said, the precise agreement arrived at by this government is not the one a Labor government would have negotiated. There were legitimate concerns, we felt—as did many in the union movement—around the labour-mobility clause and its capacity to be open for abuse. It is in that respect that I place on record my admiration for the work of our shadow trade minister, Penny Wong, in the negotiations she has undertaken with the government on the way the government will engage with the existing free trade agreement, in respect of these issues. What she has negotiated—and I need to acknowledge the trade minister, Andrew Rob, in the same breath—what both have negotiated is labour-market testing to be applied across all work agreements.

When we are talking about 457 visas, in relation to the market salary rate test that is applied to 457 visas, the government is willing to have a situation where enterprise-bargaining agreements are referenced as the benchmark. That is not just in respect of 457 visas issued in relation to this China free trade agreement, it is across the whole regime of 457 visas. It ensures that where people are working in Australia and requiring an occupational licence, that becomes a condition of their visa.

These are significant changes to the arrangements that will apply in respect of the China free trade agreement, which have been negotiated by Senator Wong and the trade minister; it is to the credit of both of them that this has occurred. This agreement will provide much better safeguards for Australian workers. It goes—I do not pretend to say it goes the whole way—some of the way in dealing with the legitimate concerns that have been expressed by many, including those in the union movement.

In the same breath, I put on record my admiration, as well, for the leadership of Bill Shorten, the Leader of the Opposition, in respect to the way in which this has been handled. It has not been easy. We have always supported the idea of a free trade agreement with China. We have been deeply engaged with it. It is part of, in many respects, a Labor tradition going back to the Chifley government. But we did have legitimate concerns in respect to the labour-
mobility clause and the way in which the Leader of the Opposition has handled this, and the outcome is an enormous credit to him. Ultimately, it is a credit to this parliament. As a result of his work, the work of Senator Wong, the work of the trade minister and the work of this parliament we will have a much better China free trade agreement being implemented in this country.

There remains an issue in relation to the whole space of those from overseas working in Australia, under temporary work arrangements, on temporary work visas. That is part of the context in which we have concerns about this particular agreement. We need to ensure that the visas we have operating in Australia that provide for temporary work do the job intended. We have work rights afforded to people who are here studying, which is appropriate. People on student visas should be able to undertake some work, in order to sustain themselves, while they gain a qualification from one of our fantastic educational institutions. But where we see students' work rights overshadowing their ability to study, that not only undermines why those students are here but also short-sells the great education-export industry we have in this country.

We have seen working holiday visas being industrialised in some instances, where people who come here are engaging in a lot of work and not much holiday under a visa which is about trying to promote a cultural exchange and to give people the opportunity to live in Australia and experience life here for a period of time. And, of course, 457 visas play a critical role in our economy in dealing with skills gaps. But where you see labour market-testing arrangements fail, that has the effect of skilled Australians missing out.

All of this needs to be looked at very carefully. We need to make clear a fundamental principle in this country, which is that if you work in Australia you should be working under Australian conditions of employment. And the concerns that have been expressed by many, including those in the union movement, are very legitimate in relation to this. As the Leader of the Opposition stated in his speech this morning, both myself and the member for Gorton, the shadow minister for employment, will be reviewing this issue and looking at ways in which a future Shorten Labor government can reform this sector to give rise to a much fairer outcome for those who are working here in such a way as to prevent the exploitation of those people and to better resource our industrial relations system so that it can enforce a circumstance where those who do work in the Australian labour market do so under Australian conditions of employment.

But as a whole, today is a good day. It is a good day for our parliament in how those of us in this place have worked together to get a much better outcome than was originally proposed. It is a good day for our economy, because we will see a China free trade agreement put in place with all the consequent opportunity that that represents for our businesses in supplying goods and services to that rising Chinese middle class. And it is a great day, I think, for the leadership of both parties in being able to work out the arrangements which are being consecrated in the legislation before us today.

Ms Price (Durack) (19:39): May I take this opportunity to thank the opposition for finally coming to their senses and to the table, and showing bipartisan support for the China-Australia Free Trade Agreement. For a minute there I thought that Andrew Robb had no role whatsoever as trade minister in the negotiation of the ChAFTA agreement. I thought it was all credit to Penny Wong! But it is so good that they have finally come to their senses.
On this side, we know that the opposition has now done the right thing by supporting Australian jobs and Australia's future—our future, our children's future and our grandchildren's future—by leaving the politics at the door. I congratulate the Labor Party for that.

I am thrilled to rise today to speak about the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015, because this will be of immeasurable benefit to my electorate of Durack, not just for today or tomorrow but for many years to come. This is a hallmark day in Australia's history. This deal, this agreement—‘ChAFTA’ as we call it—will be of unquantifiable value to Australia's economy. Chinese tariffs on key exports such as beef, dairy, horticulture, wine and coal will be slashed. We will see improved trade opportunities for a whole raft of services in education, hospitality, aged-care services and tourism, and also an improvement for the pharmaceutical industry—all of which will service the largest middle class in the world.

Independent economic modelling around ChAFTA, together with the Japanese and Korean free trade agreements, shows that it will add an additional $24 billion to Australia's economy between 2016 and 2035. We know—and we also know that those opposite know—that increased exports and cheaper exports will create more Australian jobs. It will allow Australian businesses to hire more workers.

I want to take this opportunity now to put on record my thanks to the Minister for Trade, Andrew Robb, for his tireless work on negotiating this excellent deal. This is truly an historic day in Australia's young history. The work that Minister Robb has done should be applauded, and I am pleased that he is getting some credit—although not a lot—from the other side.

Combined with the free trade agreements signed by Korea and Japan since we came to office just over two years ago, the China free trade agreement is forecast to create some 7,900 net jobs next year, and will peak at over 14,500 jobs in 2020, before returning to be over 5,400 jobs higher in 2035 than we would otherwise have had but for these three free trade agreements. Increased economic activity as a result of these free trade agreements will also encourage higher incomes, with real wages forecast to be over half a per cent higher by 2035 as a result of the benefits of these free trade agreements.

This increased economic activity is welcome news to the people of Durack, as higher incomes and lower prices will benefit these hardworking regional people. The Chinese free trade agreement will be of great benefit to my large and diverse electorate of Durack. The last agricultural census in 2011 illustrated that there were about one million head of cattle in Durack. In 2013-14, total beef exports from Durack, both live exports and beef produce, were worth approximately $215 million. Needless to say, this deal will have enormous benefit to my pastoralists in Durack—across the Pilbara, the Kimberley, the Mid West and the Gascoyne regions. Due to ChAFTA, opportunities for Durack cattle producers are limitless.

However, it is not only pastoralists in Durack who are going to benefit from this agreement. The largest grower and processor of chia seeds in the world, and one of the largest exporters of them in the world, The Chia Co, is just one business which is set to flourish under this agreement.

For those who are listening and who do not know, chia is a super food. For those wondering, it is a great source of fibre, protein and omega 3.
An interesting little stat is that the Aztecs really liked it back in the 1500s because it was one of their staple foods. So for those of you who are not on Chia seeds, you should be on them very soon. Based just outside of Kununurra, the Chia Co. has tried to get into the Chinese market for years and will no doubt be ecstatic on hearing the news about the passing of this legislation very shortly. I have no doubt that this agreement will help facilitate them to get into the Chinese market. After four years of trying to jump through all the hoops but not striking gold, they expect that their trade with China will turn over $1 million in the first 12 months of entering that market. This is just one example of the great news which ChAFTA has delivered. I would like to mention another great example in the midwest, in Durack, the Geraldton Fishermen's Co-operative. The Geraldton Fishermen's Co-operative are the largest live rock lobster exporters in the world. I know that they will welcome this opportunity as they will be able to directly export into China, benefiting all of those cray fishermen in my vast electorate of Durack.

Only this side of the chamber understands how to live sustainably whilst at the same time growing the Australian economy. In 2004, under the Howard government, the parliament voted the Australia-United States Free Trade Agreement into law. At the time, it was that Australia's largest ever bilateral trade deal with the world's largest economy. Today as I stand here, the China-Australia Free Trade Agreement will become this country's biggest ever bilateral trade deal with our biggest trading partner. This deal represents the first stage of what promises to be one of our most successful economic relationships. This deal, along with the other free-trade agreements, illustrates that this coalition government can deliver a strong and prosperous economy for a safe and secure Australia. It is deals like this that have led to Australia's impeccable record of 24 years of continuous growth.

This is indeed a significant day in Australia's history. The China free-trade agreement will be the largest bilateral trade deal on record. The agreement's benefit will be enormous to the Durack pastoralists, to horticultural businesses in Durack and also for other parts of Western Australia including the dairy farmers and the wine industry. This will increase Australia's economic pie while increasing real wages at the same time. This agreement has the Liberal Party fingerprints all over it. I again congratulate the minister for trade in his work in securing this deal.

This deal has been endorsed by a number of senior figures in the community including our Labor icons like Bob Hawke, Kevin Rudd and Martin Ferguson. I am sure they are delighted with the way we are progressing with this legislation now finally. Fortescue Metals, the National Farmers' Federation, the Australian Dairy Farmers and the Export Council of Australia are all among the many businesses and people who have publicly shown their support for the agreement, and I am sure they are charging a glass this evening as well.

Growing Australia's economy and creating jobs are two things I am very proud that this government has achieved since coming to office only two short years ago. I commend the bill to the House.

Mr CHAMPION (Wakefield) (19:48): It is always interesting to hear these debates and hear individual member's contributions. I point out the member for Durack claims it is great that the Labor Party has come to its senses and we have had this agreement zooming through parliament. But she might just want to reflect on the fact that if the member for Warringah had taken a less bellicose position in this parliament then perhaps we would have arrived at
this position a lot earlier, because all the opposition has ever wanted is not to wreck this trade deal but to improve it. We want to improve it by protecting Australian jobs through labour market testing; by upholding Australian pay and conditions through a better wages system for 457 workers, for guest workers, for those with skills; and we want to maintain Australian skills and safety standards by ensuring that foreign workers have a relevant licence under Australian law.

These are all pretty straightforward things for the labour movement. If the government had sat down rather than taking a bellicose and obstreperous position then we would have arrived at this point a lot earlier. The government has got to take responsibility I think for the overall state of politics in this House—they set the tone. Now that we have—I am not sure if it is a new government or an old government—the Abbott-Turnbull government, we know eventually it is going to be the Abbott-Turnbull-Morrison government. We have a ChAFTA-plus situation here today and that is a great tribute to Bill Shorten and it is great tribute to Penny Wong. I think a part of the work that we are going do is improve the 457 wages system, our immigration system and the state of visas in this country.

I heard previous speakers talking about the transformation of China and I always think that one should always remember Disraeli’s point at this juncture:

What we anticipate seldom occurs: but what we least expect generally happens.

That was what Disraeli said. It is a useful thing to remember that economic transformation in the past is no guide necessarily for the future. I remember when I first got interested in politics there was a very good historian called Paul Kennedy, who wrote a book called The Rise and Fall of the Great Powers. This book was all the rage around ’91, ’92 in Washington and in London. Foreign policy elites and the like were all reading it. It is quite a famous book and a very good book. It charts the rise of Europe but before that it documents the state of the world economy at the time and it pointed out that China was the largest economy at that time before the industrial revolution. So what we are, in a sense, returning to is the norm in terms of China. He was a great historian but he went on in the end of this book to make a number of predictions. It is very interesting that many of those predictions did not come to pass. Indeed, many of his predictions focused on the economic strength of Japan, which we now know fell into a state of very low growth, with zombie banks roaming around its economy. We no longer talk about Japan being an economic powerhouse; it is certainly still economically strong and still an important nation for the world, but we do not talk about it in the same terms that we talked about it in the late eighties and early nineties.

It is interesting, when you hear speakers talking about the growth in China, that very few of them talk about the Lewis turning point. I would point them to an article in the Financial Times titled ‘China migration: at the turning point’ written by a journalist who I had the pleasure of meeting when I was in China. He points to the fact that the Lewis turning point may well now have been met in China. He says in this article:

… economists say the most dynamic phase of China's transformation to an urban society is complete. The once-limitless pool of impoverished rural labour from areas like Guang'an is rapidly drying up.

The end of surplus rural labour—a significant milestone that economists call the Lewis Turning Point—carries profound implications for China's economy. As the flow of low-paid migrants into Chinese factories flows, workers demand higher pay, a phenomenon that has been evident for several years. This
either drives low-end manufacturers out of business or forces them to raise prices, actions that could slow the export growth that has helped drive the country's economy for decades.

The article then goes on to quote:

"Labour and capital will become more limited and more expensive," says Ha Jiming, investment strategist for private wealth management at Goldman Sachs in Hong Kong. "The economy will rebalance as exports slow due to rising factory prices. Investment will have to slow. That's exactly what we're seeing in real estate and manufacturing."

So we are now seeing a very different point in China's growth cycle, and behind that there is a looming political transition, of course, for the country as well. We now look at President Xi and see a strong leader, but we know that recently the Chinese Communist Party has been racked with the greatest and most open conflict that they have had really since Mao's departure, and we saw Bo Xilai, and many, many other senior Chinese figures, including some at the politburo level, being tried and imprisoned for corruption. And there is an open question, I think, in China about the rule of law and how that process is operating.

So China's future economically, politically and socially is an untold story. Its peaceful rise and its development are critically important for the world and for Australia, and we should not be myopic about the opening of these markets. Opportunities will depend on a wide variety of factors and, indeed, I think growth just because of tariff reductions will not necessarily occur. These tariff reductions are welcome for barley, pulses, wine and food, and all of those things are important for my electorate. But we will have to pursue those export opportunities. We will have to pursue prosperity. And it is critically important that we have a good relationship in the process, economically and diplomatically.

As I said before, we set out to make ChAFTA plus, to protect Australian workers. I have been in this House many times talking about the 457 visa program and about some of the backpacker visas and some of the abuses of that visa program, and I think so much of the angst about these trade deals is that they have mixed up trade with migration, and migration issues are topical in the Australian workplace at the moment. I think it is a very good thing that the members for Gorton and Corio are doing work on this issue in policy for the opposition, and I think we need to have a serious look at these programs, because they are, in some instances, operating as guest-worker programs, and terrible abuses are being made. That undermines Australian workers and undermines Australian jobs. But also those people who visit our country and often become permanent residents—about half the 457 visa holders who come here become permanent residents—are sometimes treated appallingly. They are forced to pay for the visas, and we see a bill in this House this week about that. They are forced to pay excessive amounts for accommodation. They are treated very, very shabbily at work, while having their visa and working conditions held over their head. I do not think that that is the mark of the Australian character or the Australian nation.

So it is completely understandable that workers, particularly in the building trades like electricians and carpenters—people who make things for a living—who are basically at the sharp end of that system, and who see a lot of egregious abuses, big and small, on their work sites, are sceptical—they are entitled to be entirely sceptical—about this government and its commitments. They rely on the Labor Party to force this government to put in place these protections for Australian workers, and they rely on us to do good policy work to offer to the Australian people when we come to an election and of course if we form government.
So, with those comments, to conclude: we did not set out to wreck this deal; we set out to improve it, and improve it we have. Bill Shorten and Penny Wong have been very productive and very constructive. The government, I take it, this week has been very productive and very constructive, and we should now get on and look at some of those other issues which are causing such angst in the Australian community.

Mrs GRIGGS (Solomon) (19:59): I would like to take this opportunity to commend the excellent work of Minister Robb and his team in the department for the work that they have done. Since the 2013 election, the coalition government has made significant progress on a number of major trade agreements. Of course the legislation before the House today, the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015, relates to the China-Australia Free Trade Agreement, or ChAFTA, as we affectionately call it. We have also seen some incredible progress made on the Trans-Pacific Partnership or TPP.

I understand that Minister Robb, after his very famous stand-off with the United States over intellectual property protections for medicine in the TPP, has returned to Australia to engage with the Labor Party on some of the finer points of this agreement. I am very pleased to see that the sensible solution has been reached—one that, if I may borrow a phrase from the minister's earlier statement, provides clarity and comfort with regard to some of the issues those opposite raised. Now that we have finally seen the Labor Party come to the table in good faith and discuss this in a rational way, I call on those elements of the union that have been so aggressive in debate, particularly the CFMEU and the MUA. I would like to see them deal with this agreement on a sensible level.

Speaking as the only coalition representative of the Northern Territory in this place, I would like to take a few moments to outline why I have been so enthusiastic in my support of this agreement. Australia, as we all know, is an island nation, so the terms under which we engage in international trade will always be a significant factor in determining the nation's overall wealth and the quality of life that our citizens enjoy, and nowhere more so than in the Northern Territory.

China is Australia's largest two-way trading partner. That in itself may not be surprising. Anyone who has ever shopped in Australia would be familiar with the 'Made in China' tags and stickers on so much of our merchandise. What may be surprising is that Australia exports to China more than twice as much as we import. On 2014-15 figures, we sold $107.6 billion worth of exports to China. That is nearly one third of our total exports. China, by contrast, sold $52.1 billion to us. Whenever we discuss the details of this legislation and we talk about the drop in tariffs on certain products, it can sound like small change. To keep it in context, what we are really talking about is nearly one third of Australia's export market. China has more than 1.3 billion people and a rapidly growing middle class, as many of my colleagues have commented on. If we, through this agreement, can boost that trade by even a few percentage points, that change will ripple across 1.3 billion consumers, totalling one third of our export market.

In terms of the Northern Territory, beef production is big business. Historically, we have relied on live-cattle exports to Indonesia, so irreparable damage was done to that market when the Labor government banned the live exports to Indonesia in 2011. Since then, though, the beef industry has diversified. We are finding new markets for exports of live cattle. A $90 million abattoir has opened just outside of my electorate and the focus will be to process
boxed beef. Currently, live cattle attract a 10 per cent tariff in China that will be eliminated in just four years under ChAFTA. Processed beef tariffs of up to 25 per cent will be eliminated over nine years. What does this mean? It means that for 1.3 billion Chinese people Australian beef will be more competitively priced on supermarket shelves and in restaurants. If just a small portion of the 1.3 billion people switch to Australian beef, we will have created enormous growth in the sector.

Meat and Livestock Australia have crunched some numbers on what the China free trade agreement could mean for the beef industry. By their calculations, once the agreement is fully implemented, beef production could increase by $270 million every year. In the 2013-14 financial year, the Northern Territory exported $3.2 billion worth of gas. That figure is only going to grow as projects such as INPEX come online from 2016 and ConocoPhillips looks beyond the Bayu-Undan development. The China free trade agreement will lock in tariffs at zero per cent for this multibillion-dollar industry.

You might ask: what benefits are there when we already have no tariff? Put simply, it eliminates risk. The minister for Northern Australia and I toured both the INPEX and the ConocoPhillips facilities a couple of weeks ago. To give you an idea of the scale of these investments, the INPEX facility is five kilometres from the front gate to the seafront and then there is more than 800 kilometres of subsea pipe to the gas field in the Timor Sea. To build new facilities in that industry, we are talking about tens of billions of dollars. This is an investment in an industry where prices of the product produced can fluctuate. With ChAFTA, locking in tariff-free trade with our single-largest trade partner, we are removing one more risk. We are increasing business confidence and we are making it more likely that future developments will go ahead.

If I had the time, I would go through every industry in the Northern Territory and talk about the benefits that the agreement will bring, such as for pearls, for instance. We export $20 million worth of pearls every year. A 21 per cent tariff would be eliminated over four years. I spoke to James Paspaley about this tariff reduction and he was really delighted. He is very happy. The Northern Territory has a couple of boutique producers creating buffalo mozzarella. That is exactly the sort of product that could sell as a luxury in the China market. I do not believe that they export yet, but New Zealand's dairy exports to China have grown by 864 per cent since they implemented a free-trade deal. I am sure that the Territory's producers would appreciate access to that market.

In terms of services, the Territory has expertise in management, mining and extractive industries, aquaculture, agriculture, civil works and construction. All of those companies and the people in the area will now find it easier to work in China. I want to emphasise that because this point has been absent from a lot of the discussion around the agreement, particularly the points raised from those opposite.

The China free trade agreement is bilateral—it works both ways. Access will be improved for our specialists and professionals who need to work in China, as it will for the equivalent Chinese people who need to work in Australia. This approach to limited labour mobility is not new, and it will not mean, as the trade unions have suggested, that Australia will be swamped with Chinese workers—no more than we were swamped with Chilean workers when we signed a free trade agreement with that nation.
The 457 visa system will remain in place. The wages and conditions of anyone working in Australia will continue to be protected, and anyone working in this country will need to demonstrate that they have the appropriate skills to work in that field. Amendments negotiated with Labor will introduce additional clauses regarding mandatory reporting of cases where licences, registration or permits are refused or withdrawn.

China already has free trade agreements in place with a number of countries, including Pakistan, Chile, New Zealand, Singapore, Peru, Costa Rica, Iceland and Switzerland. Every day in Australia that we do not have this agreement puts us at a trade disadvantage against these nations. By contrast, getting this legislation through before the end of this year will pay a double dividend to Australia. If enabling legislation for the China-Australia Free Trade Agreement can pass in this calendar year, then the first year's tariff drops will come into effect on that day. The second year's tariff cut would then come into effect on 1 January 2016.

The legislation before us today is the enabling bill for one of the most significant trade agreements this House has ever debated. China is already Australia's largest single trade partner, and this bill will turbocharge that relationship, allowing greater access to markets and investment for both China and Australia. For my home, the Northern Territory, this will give our exporters a boost and will mean lower prices for both business and individual consumers.

In conclusion I want to reiterate that the regulations we are introducing will ensure labour market testing is required in all circumstances, before foreign workers can be brought to Australia. This means Aussie workers will always get first go and a fair go at applying for Australian jobs. It also means foreign workers will be able to enter the country only if no Australian worker is available to fill the role they are taking up. It is important to note that this has always been the case, in terms of policy, but now it is going into be regulated. It is for this reason that Labor is now supporting the China-Australia Free Trade Agreement. This puts paid to union claims that the China free trade deal will lead to foreigners stealing Australian jobs. It never would have, but that did not stop the scaremongering. These regulations will make doubly sure that that is the case.

I strongly commend this bill to the House. I am really pleased that Labor has finally come to the table and are supporting this very important deal for Australians, to ensure that we create the jobs we need for the future.

Ms BUTLER (Griffith) (20:10): I support closer ties with China, and I support Australian jobs and conditions. Consistent with my belief that it is strongly positive for Australia to continue to build a durable and close relationship with China, I am an enthusiast for entering into a China-Australia Free Trade Agreement. But that does not require me to be an uncritical cheerleader of any agreement served up by this coalition government. My support for closer ties with China does not of itself remove my concerns about the effect of the agreement, and about labour and skills. It is more important than ever before in the post-war period to be careful about the consequences of our decisions about labour, skills, and power at work.

Before going to those issues I wish to thank the Leader of the Opposition, and the Leader of the Opposition in the Senate, Senator Wong, along with all of Labor's leadership and front bench, for their work in seeking and achieving real change in relation to the implementation of the China-Australia Free Trade Agreement.
In the face of the Tories' shameful and silly name-calling campaign, Labor has stood firm in saying that this trade agreement should serve the interests of Australians, and not threaten their prosperity and safety by undermining labour and skills standards.

I also acknowledge the work of those union leaders standing up for skills and jobs, and I thank everyone who has pushed through the posturing and pomposity from the Tories, to drag them to the negotiating table. Frankly, it is about time that the coalition stopped trying to exercise command and control, and started negotiating instead.

As I have said in this place before, Labor has shown great leadership over many decades in building the relationship between China and Australia. Ten days from now will be the 42nd anniversary of the first visit of a sitting Australian Prime Minister to China. Gough Whitlam had already been to China, as opposition leader, in 1971, and you will recall that he went to China even before the US in that year. By the time he returned, in October 1973, he was Prime Minister. His visit marked Australia's trade agreement with the People's Republic of China.

The coalition at the time rubbished Gough's interest in China. Prime Minister McMahon thought Australia was at risk of becoming a pawn of the great communist power in the region. As always, the coalition was backward, while Labor looked forward, and very little has changed. Today, on the first anniversary of his death, it is particularly important to acknowledge his legacy, not just in relation to China, but in relation to everything he did for this nation.

Every Labor Prime Minister in the decades since Gough's visits to China has done his or her part to strengthen this nation's relationship with China. As I have said previously in this House and outside, I am a strong supporter of a China-Australia Free Trade Agreement and closer ties with China. As I have said in this place before, it is about time that the coalition stopped trying to exercise command and control, and started negotiating instead.

As I said, none of that makes me an uncritical cheerleader. This is a parliament, not a fan club. It is our obligation, not just our right, to apply scrutiny to trade deals. I am far from alone in thinking that scrutiny is required. Earlier this year, the Productivity Commission wrote of the need for greater evaluation of preferential bilateral and regional trade deals. The commission wrote:

… preferential trade agreements are not as effective in improving national welfare as unilateral action to reduce or eliminate trade barriers (primarily through greater domestic competition), or multilateral trade and investment liberalisation … Preferential agreements also add to the complexity of international trade and investment, are costly and time consuming to negotiate and add to the compliance costs of firms (in the evaluation and utilisation of preferences) and administrative costs of governments.

The Productivity Commission noted that multilateral trade liberalisation is preferable to bilateral and regional preferential agreements and went on to draw attention to several concerns about those preferential agreements, such as this bilateral deal with China, including differing rules of origin for merchandise and services trade and investment; variable coverage of services across agreements and the likely effectiveness of services sector liberalisation; likely costs of more stringent intellectual property rights protection; concerns about the
variability, effectiveness and unfunded liability posed by investor-state dispute settlement provisions—and there is one in this agreement, of course; and the evaluation of negotiated text of agreements. Each of those is a valid concern, of course, and with respect to the commission. I share those concerns.

I am also concerned about the labour market impacts and skill impacts of trade agreements that affect migration and labour. Labour and skills concerns are important, notwithstanding the attempts by those opposite to downplay and dismiss them. In Australia, labour's share of national income has been in decline since the late 1970s compared to the profit share of national income. Wages growth is sluggish, the slowest it has been since the wages price index began being kept in the 1990s, and inequality is on the rise. Those at the bottom of the income distribution—and I am talking about the bottom 40 per cent—have shared in the benefits of our national prosperity disproportionately less than those at the top of the income distribution.

Those facts should alert us to the need to think about power at work and why working people seem to be less able now than at any time in the past 100 years to exercise power in their own financial interests. It is no accident that increasing job insecurity and declining collectivism are leading to workforces having less power vis-a-vis their employers. This is not to dismiss the challenges that employers face in building enterprises, taking risks and creating value. Ultimately, you do not have to choose between supporting workers and supporting business. Their shared interests are obvious. And, more broadly, everyone in our nation has a shared interest in avoiding extreme inequality given it is a handbrake on growth and bad for community cohesion and security. To curb the increase in inequality, it is important that people on low and middle incomes, including people whose labour is their living, are able to exercise power at work. I say that because of the way wages and other forms of labour income are fixed in this country. Since the early 1990s, we have had enterprise bargaining of various kinds. In addition, at common law, people have employment contracts, or contractor arrangements, individually with their employers or principals, as the case may be. Almost since Federation we have had an award system which has set, variously, minimum and paid rates. Nowadays, those award rates are low and intended to be minimum rates. In addition, we have a minimum wage which should be the lowest rate paid to employees. The wages and conditions fixed under those different mechanisms, formal and less formal, depend, to varying extents, on the relative power of the owners and those who work for them.

It is just naive and wrong to think that the parties to employee-employer relationships and similar relationships are in a perfect equilibrium of power all of the time. For those on the labour side, power depends on many things. It depends on whether you are acting collectively or individually. It depends on whether it is a buyer's market or a seller's market for the type of labour you have to offer. And it depends on your job security. If you are scared you could lose your livelihood easily, that gives you less power.

That is one reason why I am so concerned about job insecurity. Job insecurity does not just make it harder to convince a bank to give you a mortgage or to plan your family's future. It reduces your power compared to your employer's in circumstances where you already have less power almost by definition. Job insecurity has been on the rise in Australia for the past 35 years. Firstly, casualisation rose sharply from the 1980s to the early 2000s. At the same time, there was a distinct move away from employment to contracting. The Productivity
Commission's report *Self-employed contractors in Australia: incidence and characteristics* observed that the share of self-employed contractors in total employment grew at least 15 per cent over the two decades to 1998. Employers found new ways to reduce job security by using labour hire. Labour hire grew at 15.7 per cent per year from 1990 to 2002—massive growth. It remains to be seen how the new trend towards platform economics will affect job insecurity. This insecurity and the effect on millions of Australians' conditions and living standards is why the member for Scullin and I have written to the Productivity Commission asking them to rethink their cursory and dismissive treatment of job insecurity in the current inquiry into the workplace relations framework. All of those job insecurity questions are relevant to power—and there is another one we need to consider a nation.

As a nation, we need to come to grips with the power differential between temporary skilled migrants and their employers. Mr Deputy Speaker, as you know, temporary skilled migration is a particularly insecure form of work. If you are new to this country, you are unfamiliar with our laws and your visa conditions require you to either keep your job or leave Australia, the possibility of exploitation is obvious. When I was in practice, I represented a man who was here on a subclass 457 visa, a man by the name of Djoko Puspitono. His case is reported in the Federal Court papers. Shortly after complaining about his employer not paying him overtime and not paying his superannuation, among other things, Djoko was sacked. The termination letter told him he had five days to return to Indonesia. I asked the Federal Court to reinstate him and the company surrendered. They flew the white flag. He was reinstated by consent, on an interim basis, but later he was sacked again. Ultimately, he returned to Indonesia. In the later court decision, the judge recorded that Djoko left because he could not find another sponsor to take over his subclass 457 visa, he did not want to be in Australia illegally and he did not have enough money. The court went on to note that Djoko had paid for his own return to Indonesia, as well as paying for the transport of his possessions. It was a terrible story, where this person found that he was at a significant disadvantage as a consequence of having the temerity just to ask to be paid for the work that he did and to receive his entitlements.

Ultimately he was successful in his claim against the company. The court awarded him compensation. But the decision came three years after the initial sacking, almost to the day. And if it had not been for his membership of his union he would have had neither the power nor the resources to challenge a company that was prepared to exploit and sack him. For every person like Djoko who speaks out, who has a union behind him, there will be many more subclass 457 visa holders who will not, who do not have the power, who do not have a unions behind them, who do not have the opportunities that he had.

My point is that temporary skilled migrants are less powerful—probably by definition—than permanent Australian employees. And in a country where wage fixing depends on working people having a reasonable amount of power, it should be obvious that having large numbers of powerless people in an occupation puts at risk not just those people's own pay and conditions but the pay and conditions of others across the industry or sector in which they work. There are hundreds of thousands of temporary skilled migrants in Australia. I support the temporary skilled migration scheme. I want employers to be able to manage skills and labour shortages, and that scheme should operate with integrity. It should not be a means of reducing the workforce's power or pushing-down pay and conditions. Those on subclass 457
visas need security, and because of their special vulnerability they need protection from exploitation. There should never be an economic incentive, intended or otherwise, to hire a temporary skilled migrant ahead of a local, because that is an incentive to misuse the scheme. It should be a genuine scheme to deal with short-term skills shortages, and those who use it—those who seek to benefit from the scheme—ought to demonstrate their commitment to skilling Australians for Australian jobs into the future so that we can reduce our reliance on temporary skilled migration by actually planning for the skills we need.

As the member for Gray knows, one of the resources companies told us they had Norwegians operating on one of the big resources projects because they could not get the skills they needed in Australia. This is why Bill Shorten has been talking for such a long time about skills, about science, about technology, about engineering and mathematics. This is why Labor has led the charge to improve the skills needed for those types of occupations in this country. The obligation, the national interest, should be: how do we ensure that Australians have the jobs in the future? We ensure that Australians have the skills they need for the jobs of the future.

So, temporary skilled migration, while an important tool and one that should be maintained, needs to be what it was intended to be: an opportunity to fill skills gaps while at the same time working to prevent skills gaps from arising in the future. It is a challenge, and it is becoming more difficult as jobs change more rapidly. But we have to come to grips with this. We have 800,000 people on the unemployment queues in Australia. It is a national disgrace. We need to come to grips with this. I share the labour market concerns that arise from preferential deals like this. I want to see us as a nation come to grips with how we make sure that those who do come are treated with respect and dignity and are not exploited and that we decrease the reliance on temporary skilled migration into the future.

I am also concerned about skills particularly in occupations where skills are crucial in relation to worker and public safety, as is the case with electrical workers. I acknowledge the Electrical Trade Union's concerns in that regard, and I commend them for their advocacy in workers' interests and the national interest. It would be nice if instead of complaining about their advocacy those opposite actually acknowledged the work that union has done in the public interest and that other unions have done, including the CFMEU, who those opposite like to complain about, to draw to the public's attention the issues of concern in respect of jobs.

Mrs SUDMALIS (Gilmore) (20:26): Today is one that is particularly important for Gilmore, and many living in the region are unaware of the large leap of change that has taken place. The China-Australia Free Trade Agreement will come into force before the end of the year—we hope—after a compromise deal was finally struck between the federal government and the opposition. Prime Minister Malcolm Turnbull today spoke in the House and declared that this was a 'historic trade deal', that this was the beginning of exciting times in Australia. For the opposition to move to a compromise on such a great opportunity is seriously worthy of note.

There has been a great deal of misunderstanding around the potential benefits of the China-Australia Free Trade Agreement. For growers, service providers and manufacturers in Australia, we have a domestic market of around 23 million people. If those growers, providers and manufacturers want to thrive and prosper, there is now a market door opening to the
aspirational Chinese, who have income to spend. And there is predicted to be 1.3 billion people within the next decade who will become consumers. Already, since 2007, the relationship between imported goods to Australia from China and exports to China has changed drastically, with significant growth in our exports. With this agreement, that trend of export growth has considerable potential to increase exponentially.

Initially, the confusion around workforce conditions and 457 visas caused a media and union backlash, giving rise to phone complaints, union members stalking me in the electorate, and tradespeople being genuinely worried about their future employment potential. A number of revisions to these rules have been put on the table for negotiation, and with bipartisan support we now have these incorporated. Some aspects were in the wording, which could have been interpreted more loosely, but the intent of the agreement has remained unchanged.

I was always reassured that mandatory labour market testing was to be applied to investor facilitation agreements or projects over $150 million, that base pay threshold for 457 visa workers were to be firmly adhered to and that strict licensing conditions would be imposed for trades men and women looking to come to Australia. In addition, in one of my briefings I was assured that the 457 visa applications would be reviewed in light of specified skills lists and compared with the demand in the chosen destination in Australia. If the applicant had not done such an analysis, then the application would be refused. This was of particular concern for plumbers and electricians. I can fully understand this, as our tradespeople are generally much better trained than those coming from other nations. Andrew Robb, Minister for Trade, has said:

We should now be on track to be able to have an exchange of letters with the Chinese before the end of the year.

If ChAFTA is passed by the Senate in 2015, before the end of this year, then two rounds of tariff cuts will take place, one late this year and then immediately after 1 January 1 2016. That is a double bonus for Australian exporters.

There are industries in Gilmore that are just waiting in the wings for this agreement to pass through legislation. Let me describe a few. The first is about a baby product developed by a local mum whose child's skin was supersensitive. She sold to a local manufacturer, and the following is from their website, with a beautiful changing photo slide banner showing babies from all over the world:

Cherub Rubs wants the best for you and your baby … naturally.

Our products are FULLY CERTIFIED ORGANIC—not just a couple of organic ingredients, but more than 95% of all the ingredients in the majority of our range are certified organic. The entire range is manufactured under strict organic standards in a certified organic manufacturing facility.

This year Cherub Rubs is being recognised in the upcoming Premier's New South Wales Export Awards. The product is already hitting the mark in Hong Kong, Singapore and Malaysia, is about to establish in Thailand and is looking forward to the signing of the ChAFTA. One of the part owners is NowChem, and the director John Lamont told me:

The China free trade agreement is a positive opportunity to create more jobs, especially for Nowra Chemicals, a regional employer.

This will allow access to a large market of consumers who want to buy high quality goods and services.
The Chinese market is one that is growing in affluence. People there wish to access to the same cosmetics and beauty products available in Australia. Goods made and manufactured in a market they can trust for quality.

With the low Australian dollar, Australian Manufacturers are able to pay higher local wages and compete for high value innovative products in this growing and developing market.

The only issue facing many manufacturers is the decline in manufacturing due to poor government policy, such as a carbon tax, rather than an emissions trading scheme. That made many people review their manufacturing in Australia.

For those remaining, the current low interest rate climate is an excellent time to re-tool, re-invest and take manufacturing forward in Australia.

We have a significant agricultural base in Gilmore, so the change in tariffs in this agreement has the potential to be a game changer: growth, production and jobs. What more could we ask in an area of extremely high unemployment?

Whilst some of our vineyards are boutique in size, there are others, also having medal-winning wines, who could benefit from the change in tariff, with 14 to 20 per cent tariffs eliminated over four years. We have many wonderful wine-making enterprises: Crooked River Wines, Yarrawa Estate, Kangaroo Valley Estate, Roselea Vineyard, Jasper Valley Wines, Silos Estate, Wileys Creek, Mountain Ridge Wines, Coolangatta Estate, Two Figs Winery, Cambewarra Estate, Lyrebird Ridge Organic Winery, Cupitt's Winery, Kladis Winery, Fern Gully Winery and Bawley Vale Estate. I have a fairly large electorate, so it is quite a spread. Together they have received more than 1,000 national and international awards.

Our local bus company, Nowra Coaches, is already a unique service exporter in Gilmore. They sell holiday packages to Chinese visitors. They invested in a Chinese-language website and currently have more than 10 Chinese-based travel agents selling their holidays back here in Australia. The owner has told me there is a pent-up demand to see Australia. We have yet to cater to their accommodation model to maximise the potential of this aspect of trade between our nations.

Gilmore is home to Australia's Oyster Coast. It is a proud company that is now exporting premium-grade fresh oysters to China, building on the company's earlier export success in Hong Kong and Singapore. It will gain from the elimination of the 14 per cent tariff in the next four years. Forty-five of Australia's leading oyster growers are shareholders in the new company, operating across eight estuaries from Shoalhaven Heads to Eden.

Australia's Oyster Coast region is unique as it produces three varieties of premium oysters, including the Sydney rock oyster, the rare Angasi 'flat oyster' and the popular Pacific oyster. These oysters are grown under rigorous environmental management systems in some of the world's cleanest waters by passionate oyster growers with generations of experience. These oyster growers include the Greenwell Point oyster farmers Brian and Barry Allen, Jim Wild, Steve Newnham, Jess Zealand in Shoalhaven Heads and Mark Ralston in Batemans Bay.

Australia's Oyster Coast had their beginnings recently and launched the concept just two years ago with a fantastic photographic display and oyster tasting in this very house. It is a great example of the hard work and fantastic outcome. They have developed a sustainable and fast supply chain so the delivery of oysters to customers can take place within 30 hours of the oysters being harvested. This means that oysters that were growing in the estuaries in Gilmore...
one morning can be presented for dinner service at a restaurant in Asia the next day. They can
do nothing but grow further with this China-Australia Free Trade Agreement.

Ulladulla Fishermen's Co-op Society may also be able to gain market share as a result of
the ChAFTA. They have a great reputation and already export, but the potential can be
increased.

We have a new enterprise in Bomaderry, Argyle Prestige Meats. They employ locals. They
have great potential to grow, and they may now explore export options, knowing that the
tariffs on beef to China will be eliminated over the next nine years. That may sound like a
long time, but markets take a while to develop, trust needs to be built up, and over that time
market share can be gradually increased to coincide with the reduced tariff.

Another industry that already exports but can increase markedly is the supply of veterinary
products. One local company, Pharmplex, is located in Milton, and it manufactures
supplements to treat sheep, goats, cattle, deer, alpacas and camels. There is enormous
potential for it—more jobs and more growth. I am very pleased about that.

In Gilmore, the Shoalhaven Business Chamber has a stunning record of achievement,
celebrating local businesses. This year the standout winner was Stormtech. This company has
designed a unique shower drain system, one that runs parallel to the wall or the door rather
than a grate in the middle. It is suitable for those with a disability. It can fit to existing
plumbing and is qualified for Standards Australia and certified internationally. The drains are
in high demand already for international hotel construction, and the company is already an
exporter. The potential for this company is pretty awesome.

Finally we have the most iconic industry of all for the South Coast. It is there for all to see
as visitors and residents alike travel in the Illawarra and the Shoalhaven: our wonderful dairy
industry. In the region, including the highlands, we have 121 dairies. They have been doing it
tough over the last few years. Low milk prices have made economic survival difficult. There
are about 300 people currently employed in Gilmore in dairy, and that has huge potential to
grow. With tariffs of up to 20 per cent being eliminated within the next four to 11 years, this
industry can make up for some of its lost revenue. Our milk products are certainly in demand.
In our local region the dairy revenue is over $60 million. That is a lot of milk produced each
year. It is a hard industry—it is tough getting up so early to milk those cows in the morning—
but some of our visionary farmers developed the South Coast Dairy and are in the process of
expanding their production capacity. They are perfectly positioned to utilise the change in the
trade arrangements with China.

I commend all our producers, our manufacturers, our innovators and our creators. They all
put a bit of risk out there when they put their investments online, but this change in the market
in China will assist so many in Gilmore to build their businesses, to find employment and to
feel part of our national growth and participate in life rather than just surviving the process of
living.

Mr GRAY (Brand) (20:37): I rise to speak on these bills which implement the China-
Australia Free Trade Agreement. The bills are the Customs Amendment (China-Australia
Free Trade Agreement Implementation) Bill 2015, which will provide free and preferential
rates of customs duty on most Chinese originating goods and will maintain excise equivalent
rates of duty on certain alcohol, tobacco and petroleum products, and the Customs Tariff
Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015, which amends the Customs Act 1901 to introduce new rules of origin for goods imported from China to allow these goods to enter Australia under preferential Chinese tariff rates.

There has been a lot of stuff and nonsense spoken about Labor's attitude to the China-Australia Free Trade Agreement. Political opponents on our left and on our right have tried to position Labor as anti-China and anti-trade. That is stuff and nonsense, indeed. Labor and China go back a long way. In 1949, Ben Chifley supported the admission of the newly formed People's Republic of China to the United Nations. Today is of course the anniversary of the death of the great Gough Whitlam. In 1971, Gough led a Labor delegation to Beijing which saw the first high-level political contact between Australia and China in over two decades. When he addressed the Australian parliament in November last year, Chinese President Xi Jinping acknowledged that Prime Minister Whitlam's decision to establish diplomatic relations with China in 1972 is the foundation of our strong relationship today.

Northern Australia and Western Australia, particularly, have defined Australia's modern relationship with China, from the Channar iron ore agreement in the 1980s to the North West Shelf LNG sale to China in 2002. I also go back a long way with China. As Labor's National Secretary I enthusiastically built relationships with the All-China Youth Federation. Later, I was a part of the North West Shelf team that worked with Prime Minister Howard to conclude the world's first LNG sale to China in 2002.

Our country and our people have benefited from bipartisan, practical, measured and realistic Asian engagement. That is why the last Labor government commissioned the *Australia in the Asian century* white paper—a plan to seize the opportunities and navigate the challenges of Asia's rise to ensure that we all win. Labor are the party of free trade and trade liberalisation. We recognise that reducing barriers to trade boosts growth, creates jobs and gives consumers greater choice and lower prices. Labor have been the great moderniser of Australia's economy and our relations with the world. It was Labor that brought down the post-war tariff barriers, floated the dollar, deregulated the banks, established the free trade agenda, initiated the Asia-Pacific Economic Cooperation forum and argued for the creation of the G20.

Significantly, the China-Australia trading relationship is, at its heart, a Western Australian-North Australian and China relationship. That is because the state of WA and northern Australia export most to China. WA's iron ore, LNG and other hydrocarbons, minerals, food and fibre comprise the lion's share by value and volume of Australia's trading relationship with China.

As we embrace the Asian century, Australians must understand that there is competition from other countries. This is also their Asian century. There are many other countries eager to become suppliers to China and many eager economic partners for China to select from. Indeed, as we speak here today, President Xi Jinping sleeps at Buckingham Palace. The Queen of Australia will use all of the royal British trappings to sell a British economic partnership with China. So we do need to compete.

People I meet, by and large, want to support a free trade agreement between Australia and China, but they want one that supports jobs and working conditions here and in China. I led the work developing the former Labor government's enterprise migration agreements, or EMAs, so I understand the power, productivity and benefits of flexible migration agreements.
for big projects. I also argued publicly for that policy position and for us to have the world's best practice in our migration laws and to have migration laws that support safety and, importantly, productivity.

I also know that the investment facilitation arrangements in this agreement are not EMAs. EMAs were designed for resource construction projects valued at $2 billion or more and a peak workforce of a minimum of 1,500 workers. IFAs will allow Chinese workers to be engaged on Chinese funded infrastructure projects worth more than a mere $150 million.

As part of the free trade agreement negotiations, Australia and China have also agreed to drop mandatory skills assessments for Chinese workers in a range of trades. Like so many of the temporary migration changes, the motivation for this change, and its impact, was poorly explained. The framework for managing them is now improved. I thank Minister Robb and the Prime Minister for this, and I congratulate my colleagues for wanting this outcome.

What has been most frustrating is that the government keep getting the important details of ChAFTA wrong. The Minister for Foreign Affairs in this place said that the China-Australia Free Trade Agreement would remove tariffs on Australian iron, Australian gold and Australian crude petroleum and LNG exports to China. These commodity exports, of course, already have zero tariffs. Ms Bishop was simply overselling, even misstating, the effects of ChAFTA.

The ChAFTA will deliver benefits for the Australian economy—the western and northern Australian economies in particular—by improving access to the Chinese market for our exporters in agriculture, mining and resources, education, manufacturing and services. The ChAFTA will be more helpful for certain sectors and not as helpful for others.

The Productivity Commission has said that the increase in national income from free trade agreements is likely to be modest. While such agreements can reduce trade barriers and help meet other objectives, their potential impact is limited and other options may be more cost-effective. But one thing is for sure: we cannot allow our competitors even a small trade advantage. Strengthening our relationship with China is an important and bipartisan national policy objective and a national advantage. There is deep and fundamental bipartisan support for a China-Australia Free Trade Agreement that supports and creates jobs and that makes our community proud of our parliament.

Labor depart from our political opponents only in our desire to ensure the China-Australia Free Trade Agreement supports and creates Australian jobs as a first priority. The government initially responded to Labor's genuine concerns about the labour provisions in the agreement with bluster and even extreme xenophobia rather than facts. It is time that we all recognise that name-calling will not substitute for real debate or allay concerns about anything, let alone this trade deal. Labor has consistently argued for safeguards in three specific areas: labour market testing, protecting Australian wages and conditions, and upholding workplace skills and safety standards. Today, Labor and the government have negotiated new legal safeguards in each of these areas without the need to renegotiate the ChAFTA.

Over the past decade many trade ministers have worked very hard to make this trade deal a reality, and we should pay tribute to Mark Vaile, Warren Truss, Simon Crean, Stephen Smith, Craig Emerson and Richard Marles. In particular, I pay tribute to my friend Andrew Robb for the great work that he has done in our national interest to deliver this agreement in a way that
will bring benefits for Australia. I thank the Prime Minister. I thank the Labor leader. I thank Penny Wong. The work that they have done to bring a compromise to our parliament is simply exemplary. It shows us at our best in this place.

I also thank the leaders of the resources and agricultural sectors who thoughtfully trusted Labor to deliver on the ChAFTA. In government, Labor helped to negotiate the ChAFTA and, in opposition, here we are helping to secure the passage of ChAFTA through this parliament. I am pleased to support these bills and to vote for this agreement and to congratulate all of those ministers who, over all of those years, have worked in our national interest to deliver an agreement that is as good as it can be.

Dr STONE (Murray) (20:46): I rise to very strongly support this Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015. I only wish we could have celebrated this event some five or even seven years ago. As the National Farmers' Federation said in their submission to the Joint Standing Committee on Treaties inquiry into the trade agreement between Australia and China—and I belong to that committee:

There are approximately 115,000 farm businesses in Australia, 99 percent of which are family owned and operated.

Each Australian farmer produces enough food each year to feed 600 people, 150 at home and 450 overseas. Australian farms produce around 93 percent of the total volume of food consumed in Australia.

At the same time, we import over 37 per cent of our manufactured food product, in particular frozen vegetables and manufactured vegetables, and we need to really think hard about that.

The agricultural sector contributes some 2.4 per cent of Australia's total GDP at the farm gate, and the gross value of Australian farm production in 2013 and 2014 was $51 billion, which was a six per cent increase from the previous year. The good news is that during that year, while we had horrendous drought, there was a drop in the Australian dollar and some recovery from the millennium drought, Australia's longest and worst drought on record.

However, when you add in the value of the vital value-adding processes that food and fibre goes through after it leaves the farm, along with all of the value of all economic activities supporting farm production through such things as the farm inputs, then agriculture's contribution to our GDP averages out at around 12 per cent, or $155 billion.

All of that is a rosy picture, as presented by the NFF, but the fact is that without international market access Australian agribusiness cannot thrive or continue to grow. My electorate of Murray depends on the further development and growth of export market access for the food and fibre that we produce. For example, if all farms were wholly dependent on domestic food sales in Australia, whether for selling their fresh or their processed product, they would be at the mercy of a grocery retail sector which has the most concentrated buyer power in the world. Coles and Woolworths own more than 80 per cent of the retailing action for food and beverages in the country. They can and do exercise that market power mercilessly. The ACCC has only recently begun to put some brake on the impacts of this exploitation and market domination. There have been fines, warnings and efforts to get compliance with voluntary codes of conduct, particularly in the grocery sector, with particular focus on Coles and Woolworths.

When a food grower or manufacturer can export their fine foods and beverages, thereby stepping out of the clutches of the big duopoly, then they have a better chance to maximise
the value of their research and development investment in innovative new product and in their brands. In Australia they face the tyranny of the big two's drive towards replacing manufacturers' sometimes historic and certainly iconic brands with 80 per cent generic labels or home brands at down, down, down, and everyday low prices. The big two in Australia seem to think that all the customer ever wants is cheaper and cheaper food. They imagine a dollar a litre for milk is a dream come true for the average householder in Australia.

China is Australia's largest export market for agricultural products. These exports are worth some $10 billion to the economy, but we are less competitive than our neighbour New Zealand when it comes to beef, wheat, sugar, dairy, wine, horticulture and seafood exports because of the high tariffs we now experience when Australia sells to China. We need this agreement to eliminate this range of punitive tariffs, and we needed this agreement yesterday.

The New Zealand free trade agreement was signed on 7 April 2008 and came into force in October that year. The Chinese consumer has had seven years to become familiar with the New Zealand dairy products, in particular their infant formula and their cheeses. They have come to believe in the value of their wines, their beef and their fruits. It took New Zealand only three years and 15 rounds to negotiate their agreement with China. It took us ten years and 21 rounds before our agreement was completed in November 2014—and if the Australian unions could get their way, we would still be stalling this agreement with concocted fears of a flood of cheap, unskilled Chinese labour turning up on work sites across our wide brown land.

I have to laugh because, of course, within my electorate I have some very old goldmining towns like Rushworth, and not far away are Bendigo, Maryborough and Castlemaine. I have in my house a piece of furniture from the 1800s with a stamp on the back that says, 'Guaranteed European labour only. Made in Australia.' This was the fear at the time—that Chinese labour would be outcompeting the good old Aussie, who of course at the time was probably born in Germany, the UK, Ireland, Scotland or the US. The fear was that these Chinese labourers off the goldfields would destroy the working man's wages and conditions if they were allowed to ride roughshod over other competing labour in the workplace.

And, you know, that fear is with us still. In a press release sent today by the Australian Unions team, they say, 'Come to our town hall meetings, where we can talk about how to stop any of these agreements in the future.' 'Shock, horror, fear and loathing,' I say to myself. What a terrible shame and what an indictment of all Australians, when there is this pretendy fear, which is still with us and which must have been really quite concerning for some of our Chinese agents and traders who have been working with Australia for a very long time and who perhaps had not experienced that xenophobia before. But it is alive and well, of course, in the Australian Unions team, as they call themselves.

New Zealand has already reached zero tariffs on apples and on seafood. We have great apples and pears and seafood too in Australia. In fact, the vast majority of apples and pears are grown in my electorate. Some 80 per cent of Australia's pears are grown in my electorate. But it will still take us another four years to reach that zero tariff equivalent with New Zealand for apples, pears and seafood after the China free trade agreement with Australia comes into play and when we have got those protocols developed and completed for each of those products. Hopefully all of that will happen sometime very soon, and I am so pleased that the opposition has finally come to its senses.
All the New Zealand tariffs on butter, liquid milk and cheese will be phased out by 2017, not very long away, while Australia's dairy products will still not see an elimination of tariffs for between four and 11 years. That is because we are starting so late. We need this free trade agreement with China, as I say, not in a year's time, not in five years time, not 'never, ever', as the unions would have it; we actually needed it yesterday, not stalled indefinitely by the out-of-touch union movement struggling to have some airplay or some relevance in the 21st century. New Zealand will have some 96 per cent of all of their China tariffs for their agricultural products phased out by 1 January 2019. Australia will have those tariffs removed some seven years later. We are beginning some seven years behind.

As China's population increases and their middle classes expand, as their arable lands, once used for agriculture and their own food sufficiency, are diminished by industrial contamination or urbanisation and as their rural workforce ages and concern about their own food safety grows, Australia stands poised to fill the gaps. We can provide their infant formulas, their children's foods, foods for their middle classes, their boutique products, their wines, their confectionery. We can also of course supply marvellous services—things that we excel in like aged-care and health services, which they are increasingly understanding they will need as their population ages.

My electorate of Murray is a pre-eminent high-quality food production region. Pactum Dairy in Shepparton, for example, provides milk to China's Bright Dairy right now, for 250-millilitre protein drinks. Bega in Tatura is manufacturing and exporting fabulous infant formula. More unusually perhaps, more than 10,000 live young heifers have been sent to build the dairy herds of China. Recently a Shepparton vet was recruited to manage some of these dairy herds for Fonterra in China. It will be ironic, in that many of the cows he will be dealing with will either have been born and bred in the Goulburn Valley or will be descendants of those heifers, many of them sent during the worst drought on record, the Millennium Drought, in an effort to save the remaining herds in the Goulburn Valley.

We now have some Chinese ownership of dairy farms in the Goulburn and Murray valleys, and we welcome that, as we welcomed the New Zealand dairy farm owners a generation before. As I mentioned, there are also Australian education and health services which are being welcomed in China. They are appreciated as their population ages. Our aged-care innovations and agencies are being sought out to add real value and innovation in China.

But there are also some unique Australian products in demand in China, despite the 14 per cent tariff now in place. I am referring to kangaroo leathers manufactured by Packer Leather of Queensland. They gave evidence to our Treaties Committee as part of the ChAFTA inquiry. They employ over 116 staff, both casual and permanent. China is their third-largest market, and in all they export to 19 countries. They aim to have their product used in the highest-quality men's shoes, particularly sports shoes, in China. In this case, there is no doubt that this free trade agreement will address the HS code classification for kangaroo skins, because, at the moment, the same HS code is used for goat and kid skins, swine and reptiles. Clearly kangaroo is in a little bit of a class of its own when you compare it with those other products.

This will be part of the efforts which will continue once this free trade agreement is finally through this parliament. There will be so much more work to do with developing the protocols and looking at the HS codes which are used. I too would like to commend all of
those who over the years have slaved away to try and bring about this agreement. I am sorry that it has taken so long. I am sorry that it has been stalled, or that attempts have been made by the Australian trade union movement to stop it in its tracks. I think that is a disgrace. Clearly they are totally out of touch and have no interest in the jobs of Australians and in greater opportunities for agribusiness in this country. I strongly commend this China-Australia Free Trade Agreement to the House and to the nation.

Mr WATTS (Gellibrand) (20:59): On the first anniversary of the passing of the great man Gough Whitlam, we remember that in 1971 he, then Leader of the Opposition, headed a Labor delegation to China, where he met with Premier Zhou Enlai. In 1973 the then Prime Minister returned to China, becoming the first Australian Prime Minister to ever visit China. When he returned he addressed the National Press Club. He said:

The hopes of that region rest upon not only a better understanding with China but a better understanding of China. … China, Australia and all the countries in our region will be the beneficiaries of a better mutual understanding.

It is fitting that on the one-year anniversary of Gough Whitlam's death Australia is following his leadership and actively engaging with China in our region and taking another step on this journey. The Labor Party has a strong history of embracing trade liberalisation and engagement with our region. Labor governments have opened Australia up to the world, often unilaterally and often despite protestations from those opposite. We did this through Whitlam's across-the-board tariff cut, Hawke and Keating's dismantling of protectionism and the Rudd and Gillard government's pursuit of free trade agreements and, later, the Asian century white paper, a comprehensive platform for engagement with our region and a plan for an open, confident and engaged Australia.

We are a free-trading party because trade benefits working people by giving consumers more choice and lower prices and driving economic growth that creates jobs. This is why trade with our region is so important and today approximately one in every seven Australian jobs depends on exports. Currently, trade with our region is at its highest point in Australia's history. Of that trade, China is our largest trading partner. Last year our two-way trade in goods and services was worth over $150 billion. Our exports to China have also grown in recent years, from 8.5 per cent in 2003-14 to 32.5 per cent in 2013-14.

Trade and investment with China is central to the wealth and prosperity of all Australians, and the China-Australia Free Trade Agreement builds on this remarkable economic boom between our two countries. Once this agreement comes into force, more than 85 per cent of Australia's trade with China will be tariff-free. At full implementation of this agreement, 95 per cent of our trade with China will be tariff free. Many of the current tariffs will be phased out immediately. China is Australia's largest resources market, with Australian exports to China worth over $77 billion in 2014 alone.

China will remove or significantly reduce tariffs on Australian beef, sheepmeat, dairy products, horticultural products, wine, barley, seafood and processed foods. Agriculture is not the only sector that will benefit. ChAFTA removes Chinese tariffs on Australian resources and energy commodities, pharmaceuticals and other manufactured products. ChAFTA will also open up access to the Chinese market for Australian services businesses. It will deliver improved access for financial-services providers, such as banks, insurers and funds' managers; more education and training providers will be able to market their services in China;
Australian hotel, hospitality and tourism operators will be able to invest in China; Australian health and aged-care facilities will be able to be established in China; Australian law firms will be able to service the Chinese market; Australian construction and engineering companies will be able to undertake joint construction projects; and there will be improved access for Australian telecommunications, manufacturing services, mining services, architects, software implementation and environmental services.

China is already the second-largest economy in the world, by some metrics, and will become the biggest in our lifetime. The China-Australia Free Trade Agreement enables Australian businesses to make the most of this growth, and it will be important for Australia's future. Australia's and China's economies do not compete, they are complementary, in many respects. This trade agreement should seek to strengthen our economic ties, but it will also, inevitably, strengthen our cultural ties. This is an opportunity to deepen our relationship.

Regardless of the benefits of this free trade agreement, we in Labor have said many times that the coalition could and should have secured a better deal, particularly regarding the inclusion of an investor-state dispute settlement provision. I have spoken in this chamber a number of times about the ChAFTA agreement and other free trade agreements that Australia has entered into and how invidious these provisions are. There are legitimate public concerns about the potential impact of investor-state dispute settlement provisions on public policies for health care. We have seen this with plain-packaging legislation and environmental protections. Labor has argued strongly against these provisions and adopted a policy of refusing to include them in trade agreements when we were in government.

It is true that some of these provisions already exist in other trade agreements, exposing us already to this kind of litigation, but this is no reason to unnecessarily further expose ourselves to this kind of risk. Labor is also concerned about the effect ChAFTA will have on the Australian labour market and, consequently, our temporary migration system. We want Australians to benefit from free trade's proven record of creating more jobs, not simply replacing them with temporary migrant labour. Labor has negotiated with the government and achieved a package that ensures proper safeguards are put in place to protect Australian jobs.

I am very pleased that good faith has been shown on both sides of this process and that there has been genuine bipartisan commitment to overcoming differences of values and perspective to agree on a way forward for this important agreement. Here is how these concessions will work: ChAFTA will allow for Chinese workers to work on Chinese funded infrastructure projects in Australia that are worth more than $150 million. Labor's safeguards will require those companies to conduct labour-market testing to ensure there are no local workers available before being allowed to import labour from abroad.

Labor has also secured arrangements on the broader temporary migration system. They require employers to demonstrate a labour-market need for 457 visas, adopt training plans showing how they will train local workers to address these skill shortages and implement overseas worker-support plans to ensure migrant workers understand their rights in the workplace. This follows an increase in the salary rate for 457 workers, both to ensure migrant workers are treated fairly and that employers are not circumventing the system and using overseas workers for financial gain. This will not discriminate against Chinese workers, but will apply across the board.
Labor has also secured a deal to strengthen skills assessments that were removed by the government in the original agreement. Labor's safeguards will ensure that the Chinese free trade agreement will be a far better agreement for Australian jobs. While there remain issues in this agreement Labor would not have accepted if it had signed the agreement, the amendments that have been negotiated do ensure that the effects of those issues are minimalised and the benefits can be enjoyed by all Australians.

In the debate about this bill, a great many silly things have been said about this agreement and the other free trade agreements that have been negotiated by the current government. Here are some job-creation claims made in the name of ChAFTA by members opposite, in this chamber, and in the other place. Senator Abetz said:
These trade deals will create almost 9,000 jobs per year.
Senator Ronaldson said that in the absence of ChAFTA:
… there will be $4 billion lost to the Australian financial services sector alone by 2030, at a cost of 10,000 jobs.
Senator Payne quoted the sector as saying that without signing up to ChAFTA we would lose:
… 'some 10,000 jobs in financial services alone by 2030.'
Senator Birmingham said:
When it is fully implemented there will be some 178,000 additional job opportunities for Australians under ChAFTA, including skilled Australian workers.
The member for Hindmarsh, in this place, said:
This agreement will provide tens of thousands of new jobs …
The member for Banks said:
We have an agreement here that is going to create 178,000 jobs.
The member for Corangamite said:
It is estimated that over the next 20 years the ChAFTA will deliver some 178,000 new jobs.
And of course the trade minister said:
This is the future and these free trade agreements will lead to tens of thousands of new jobs …
Indeed, he even told the ABC that these free trade agreements would deliver 'literally' many hundreds of thousands of jobs.

His claims are notable because on the government's own figures, and according to the modelling by the Centre for International Economics, the KAFTA, the Korean Free Trade Agreement, the Japanese Free Trade Agreement and ChAFTA agreements combined will produce a total of 5,434—bizarrely specific economic modelling—additional jobs by 2035. As Fairfax economics correspondent Peter Martin points out, by 2035 the total Australian workforce will be over 15 million, so the cumulative employment impact of these agreements, on the government's own figures, will be less than one-half of one-tenth of one per cent of the total workforce. That is not nothing, to be sure, but it is certainly not 'literally many hundreds of thousands of jobs'.

I highlight these facts not because I am sceptical of free trade; I am unambiguously pro-free trade. And I am pro-free trade not for political or ideological reasons, but because I believe that it is in the interests of my constituents. It means cheaper goods and services,
better choice and variety, and more jobs overall. In respect of cheaper goods and services, it is notable—given the rhetoric we heard in question time today, that this agreement is an export agreement—that the government's own modelling suggests that while Australian exports to China will grow under this agreement by 0.5 per cent, imports will grow by 2.5 per cent.

As discussed at length in the Productivity Commission's Report into bilateral and regional trade agreements, the benefits of preferential trade agreements like ChAFTA are much lower than multilateral trade agreements negotiated through the WTO. Of course there is little prospect of another successful global trade round in the foreseeable future, so we make do with what we can. But we should not let hyperbole cloud our view of the evidence. In the face of these smaller benefits from these trade agreements with a much narrower scope, we should not kid ourselves that as additional non-trade provisions are hung off the creaking framework of these treaties that the costs of these non-trade provisions could exceed the benefits we realise from free trade. You do not have to be a protectionist to believe this. The labour market and labour movement provisions in ChAFTA, as well as ISDS and intellectual property provisions are well known, and the concessions negotiated by the shadow minister for trade and investment, Senator Penny Wong, and other members of the Labor Party go a great way to remedying these issues.

Australia still has a long way to go when it comes to realising the potential of Chinese growth. Asia's middle class sits at around 500 million, and is expected to grow to substantially over the next 15 years. But merely pulling down trade barriers alone will not cause this opportunity to fall into our laps. We will all need to work for it; we will all need to work for it today, tomorrow and every day. This agreement is no silver bullet; it really just puts Australia at the starting line.

That said, it is certainly worthwhile supporting it, and I am very pleased with the bipartisan solution that we were able to reach on this agreement. I thank the House.

Mrs WICKS (Robertson) (21:11): I too rise to support the government on the signing of Australia's Free Trade Agreement with China. I am particularly keen to rise to speak about this, given its importance to my electorate of Robertson.

I am pleased to speak on the Customs Legislation Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015 in the House, not at a union-organised debate. I believe that this place is the appropriate place to discuss what the Prime Minister has described as 'a great day for Australia and an historic day that is good for jobs and good for business'. May I commend the outstanding work of the Minister for Trade and Investment, Andrew Robb, in securing this deal, a deal that will unlock more opportunity, more investment, more jobs and more enterprise with Australia's largest trading partner.

This China-Australia Free Trade Agreement also builds on the positive outcomes already generated by deals with Korea and Japan in creating jobs and boosting economic growth. And it also sits alongside the Trans-Pacific Partnership, which allows us to harness the enormous opportunities in the biggest global trade deal in 20 years. The TPP will set up a more seamless trade and investment environment across 12 countries that collectively represent around 40 per cent of global GDP.

And with the China-Australia Free Trade Agreement, we have a deal that will see 95 per cent of Australian goods exported become tariff free. This includes the abolition of tariffs on
our agricultural products, as well as on a range of manufactured goods such as pharmaceutical products, car engines, plastic products and processed foods. It will remove tariffs on almost all resources and energy products, and will also open up more opportunities for Australian services. We have also secured improved market access for industries like banking, health and aged care, tourism, legal, construction, telecommunications and education services—all good news for businesses and industries on the Central Coast.

The removal of the five per cent tariff on Chinese manufacturing exports, electronics and white goods is also good for business, and will enhance our vital trade and investment relationships in this lucrative Asian region for decades to come.

But it is not just those of us on this side of the House who are endorsing this outstanding achievement for our nation. Let me share some comments with the House. Adam Kay, the chief executive of Cotton Australia, has described the agreement as vitally important. He said that more than 99 per cent of Australia's cotton crop is exported, the majority of it to China. And in the past two seasons that has represented more than $1 billion for the cotton industry. This agreement delivers important tariff cuts, and so Mr Kay describes it as a 'shot in the arm' for industry.

Noel Campbell, the president of Australian Dairy Farmers has declared that this deal matters, in particular for local farmers. He said that it is a once-in-a-generation opportunity for business. And it is easy to see why, with tariffs of up to 20 per cent eliminated over the course of the next few years. As the grand-daughter of a farmer who farmed in Dubbo in New South Wales for many years, I can advise that the China-Australia Free Trade Agreement will help grow the state's almost $1.8 billion worth of agricultural exports to China, not just in dairy but also in beef, sheep meat, hides and skins, horticulture, wine and wool.

The Minerals Council of Australia has also declared that the trade agreement with China is an unambiguously good deal for Australia. The council described it as a high-quality agreement that will deliver stronger economic growth, more jobs and better living standards. And in the case of the minerals sector, the council said the agreement will eliminate tariffs that add nearly $600 million in costs to the bilateral minerals and energy trade.

In fact, overall, we have seen independent economic modelling demonstrate that the free trade agreements with China, Japan and Korea will together add $24.4 billion to the Australian economy over the period of the next twenty years. Increased exports and cheaper imports will also allow local businesses to hire more workers, with increased economic activity supporting higher wages. I am advised that real wages are forecast to be 0.5 per cent higher by 2035 as a result of the free trade agreements. In fact, the Financial Services Council says the China agreement could result in the creation of 10,000 new jobs by 2030 in financial services alone. So with this historic agreement secure, I am rally looking forward to working with my community of Robertson on the Central Coast and looking forward to listening to the myriad ways in which we can take advantage of this breakthrough locally.

I am pleased to announce to the House today that I will be hosting a special Austrade seminar in my electorate on 5 November. The seminar is aptly titled 'Seize the Opportunity' and will be an opportunity for residents and businesses in my electorate to discover how they can benefit from Australia's free-trade agreements with China, Korea and Japan. Austrade is designing the seminar so it can equip and inspire those attending with the very latest information to help realise the benefits created by these free-trade agreements. This will
include advice on how the Central Coast region can open the door to market opportunities, grants and assistance, as well as some fantastic success stories that will no doubt inspire our community as well. It will also be a great chance to learn about changes to access and tariff, managing risk, legal compliance and other frequently asked questions by businesses in my electorate. The seminar will be at the Gosford RSL Club, just around the corner from my electorate office. It starts at 9am in the Pacific Room and runs till midday, with no charge, and I invite any businesses and any interested residents in my community who would like to come along to contact my office and we will send you the details. In particular, I look forward to engaging with our strong local services and manufacturing sectors on the Central Coast.

The Australian Bureau of Statistics last year reported there were more than 12,000 small businesses in the Gosford local government area, which matches closely with my electorate, and advises there are more than 550 businesses involved in the manufacturing sector. And an analysis by the National Institute of Economic and Industry Research has found that exports in Gosford City are increasingly strong. The three largest industries were manufacturing, generating $710 million in 2013 to 2014, followed by health care and social assistance and rental, hiring and real estate services. This China-Australia Free Trade Agreement is good news for those industries in my community. China is a major export market for Australian manufactured products, with exports worth $4 billion last year.

This agreement creates new opportunities for manufacturers, particularly those looking to supply goods to China's rapidly expanding middle-class. China currently applies tariffs of up to 47 per cent on some of Australia's manufactured products, including items like paper products, car parts, clothing and film. So I look forward to engaging with more businesses in my electorate that stand to benefit, and also with those people who have genuine questions about this landmark agreement.

I commend this legislation and the agreement to the House

Mr EWEN JONES (Herbert—Government Whip) (21:19): I support the China-Australia Free Trade Agreement because we live in the world today. The days of Australia being an island continent that this fully self-sufficient in everything are long gone. We have to have access to foreign capital. We have to have access to foreign investment. We must avail ourselves of those markets overseas which are just so important to us. The days of AWA televisions and those sorts of things are long gone. Australians want the best of things and we are in a smaller world. We must make ourselves competitive on the world stage.

I want to be very specific about Northern Australia. The development of Northern Australia depends on foreign capital. The development of Northern Australia depends on our ability to develop our resources industries and our water industries, our energy products and our water products to be able to develop those niche market products that we can get into those places.

We need to be able to bring in the infrastructure that would come naturally or organically in Australia over a period of 50 years. We need to be able to shorten that period. That is why the infrastructure facilitation arrangement is just so very important. Let me clarify this: to qualify for an IFA, you must have at least $100 million—we hope it is much more than that—it must be greenfield and it must be infrastructure that is economically challenging. You can then go onto the next area where all your labour market testing is done.
The China-Australia Free Trade Agreement is brilliant for us. It follows on from the great work done by Andrew Robb, Minister for Trade and Investment, and all our team. The member Gary Gray said 'this follows on from a lot of work done by everyone and we are the ones that brought it home' but Andrew Robb has been absolutely brilliant in this. I do not think we have too many people in this parliament whose work has ever been able to compare to the work that he has been able to put on the ground here. He and his team must be justifiably proud.

When I look at these things, I say that the China-Australia Free Trade Agreement is all about the north of Australia, it is all about what is good about the north of Australia and it is all about developing the north of Australia. I see nothing but positives in this for anybody in the north of Australia. We have the goal of having between five and six million people in the north of Australia by 2050. That is 35 years to more than quadruple our population. To do that we must have massive infrastructure, and in Australia we do not have enough savings in our own country to facilitate our own mortgages, let alone our infrastructure. We must bring these things forward, and being a good global citizen is all about that. So I support this agreement, I congratulate all those people who have been involved in this and I thank the House.

Mr RAMSEY (Grey) (21:22): What a difference a change in government can make, as happened in Australia two years ago. What a difference one man has made in this particular case, and that man of course is our trade minister, Andrew Robb: not one, not two, not three but now four free trade, or, if you like, freer trade agreements—it is an astonishing performance.

Australia, of course, was built on trade. We are major exporters, and access to markets is absolutely everything to us. Any restrictions inevitably lead us to less competition and lower prices for our farmers, manufacturers and miners. Modern transport and communications mean that we are moving closer to a single marketplace in the world and, increasingly, it emphasises the necessity for nations to invest in and expand the sectors of their economies in which they enjoy a natural advantage.

Last week in this place I raised the persona of Bert Kelly. Bert Kelly is not perhaps well known to a lot of Australians now, but he was in fact the member for Wakefield in South Australia. He entered parliament in 1959 and he remained the member for Wakefield for 19 years. He is remembered as the man who blew the whistle on protectionism in the sixties and seventies in Australia—an individual who Gough Whitlam later described by saying, 'No private member has ever had as much influence on changing a major policy of the major parties.' And of course we were talking about protectionism. Bert recognised that protecting unproductive industries always came at the expense of the productive industries. In his first speech to parliament he said:

... the free flow of world trade is the best hope we have of raising the standard of living all over the world.

And he said that in 1959. Bert Kelly knew that protectionism was not only futile but also actually tore down our most efficient industries and increased poverty throughout the world. He would be well pleased with Andrew Robb and the coalition government's commitment to freer trade and, in particular, today, he would be well pleased with the ChAFTA—the China-Australia Free Trade Agreement.

The World Bank has told us that China became the biggest economy in the world in 2014. Some other banking bodies actually dispute this, but, if it is not the biggest now, it certainly
will not be long. It is already Australia's biggest trading partner: $98 billion worth of goods in 2014—around one-third of our total exports, and growing. There could not be a more important trading partner to Australia than China.

Much of the focus on the advantages of this deal, the ChAFTA, has been on what it delivers for agriculture. It is easy to see why. From the very first day, tariffs on dairy, horticulture, wine, beef, coal and a range of manufactured goods will be slashed, giving unprecedented access to Chinese markets.

Just as we have watched wistfully from the sidelines as New Zealand has reinvigorated its economy—and they certainly have the jump on us in that area—now we have a chance to join them and an opportunity, perhaps, to reel in the New Zealand economy. So we can go and join them.

By the end of day one, 85 per cent of our exports will enter China duty-free. When fully implemented, this figure will rise to 95 per cent. However, there is a hook in the tail here, and it is that if the agreements are not signed off by the time we rise for the summer break then we will miss the first tranche of all these benefits and they will probably be delayed for at least 12 months—if, indeed, they are ever implemented at all. It is highly likely that the Chinese would quit—that they would walk away from the negotiating table. And who could blame them? In fact, the Chinese Ambassador, Mr Ma Zhaoxu, said: 'ChAFTA took both countries 10 years of negotiation. It represents a hard win, and this is an opportunity that should not be allowed to slip away.'

Today we received the very welcome news that the Labor Party is putting the national interest in front of politics, and I congratulate them and thank them for the support.

I condemn the CFMEU campaign in particular. It was disgraceful, particularly with the elderly—truly disgraceful, but not really surprising. And we are learning more about the CFMEU every day as the royal commission unfolds. I am just going to take a short break because I think we might move a change of standing orders.

**BUSINESS**

**Days and Hours of Meeting**

Dr HENDY (Eden-Monaro—Assistant Minister for Productivity) (21:28): I move:

That the resolution agreed to earlier this sitting be amended to extend the House sitting until 10 pm.

Question agreed to.

**BILLS**

Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015

Customs Tariff Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015

Second Reading

Cognate debate.

Debate resumed on the motion:

That this bill be now read a second time.
Mr RAMSEY (Grey) (21:29): I had concluded my remarks on the CFMEU.

I come now to agriculture. For agriculture, there are some very big ticket items—in particular, for my electorate, wool is still a very important part of the economy and a new, larger quota for Australia and a duty-free quota will certainly enhance my growers’ prospects. For beef, tariffs between 12 and 25 per cent will be gone in nine years. For dairy, tariffs up to 20 per cent will be eliminated in four to 11 years. The wine industry—a very important industry in South Australia—will at last have the opportunity to clear the glut. Already we are selling $242 million worth of wine per annum to China, and China has doubled its consumption of wine twice in the past five years alone. Chile and New Zealand have the jump on us because they have their free trade agreements already. We have some catching up to do. Tariffs will be eliminated on wine within four years. That is a very big-ticket item for South Australia. Almost all remaining tariffs on energy and resources will be eliminated in four years. Tariffs like three per cent on coking coal and six per cent for thermal coal may not sound like much, but it is the scale of the coal industry in this case. Millions of tonnes goes to China, and a three per cent and a six per cent tariff cut is quite substantial.

Much of the big end of this agreement flies under the radar. I have spoken about agriculture and mining products—raw products into China—but much of the really big stuff for Australia will not be fully realised until business people have a chance to get their heads around it. In particular, there is health and aged care. China has an ageing population and they have working families. In the past, they have not had the kinds of institutions that Australia has to deal with these issues. They need expert help in building capacity. We can provide it for them. There are education services. Their institutions are improving fast, but we are looking to develop wide links around the world and collaboration. China will be a very keen market for our services in this area.

There are financial services. Already, the ANZ bank has a significant footprint in China, with its back office located in the central western city of Chengdu, a place that I visited in 2012. It already employs over 300 people and the potential is enormous. The Chinese will be looking for superannuation services and services to manage family investments. They are not too bad at managing money—I will certainly grant the Chinese nation that—but it is a changing and modern world and there are a number of services that Australia is very sophisticated in and we will be able to provide them with great assistance.

There is no doubt that some in our community are suspicious of foreign investment and particularly with China. To them I say: co- and cross-investment are the keys that open the door to mutual prosperity. Having partners in each other’s countries, with skin in the game, establishes access to markets that were previously virtually unknown. This deal is good for both countries. It will lead to greater prosperity for both countries. I am pleased that the Labor Party has endorsed the agreement. It underlines the fact that this government has shown that it has the propensity to get jobs done.

Mr ZAPPIA (Makin) (21:33): In speaking on the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015 and cognate bill, I want to begin by making some observations. The first is about the process that has led us to this point. Over the last few months, there has been considerable public discussion about the China-Australia Free Trade Agreement and I detect considerable division without and throughout the community with respect to it. There has been an ongoing media campaign by a number of different parties with
respect to it, some arguing for it and some arguing against it, and now we have seen an extension of the parliamentary sitting time in order to accommodate the debate. The negotiations that led to it over the last few days have also been referred to by many speakers.

In my view, it all highlights that the process with respect to the negotiation of trade agreements between Australia and other countries is flawed and needs to be reviewed. We need to come up with a process whereby the parliament is engaged at a much earlier stage in the process and we also need to do away with much of the secrecy that surrounds the drafting of these agreements. Ultimately, the agreements are about what Australia will enter into with another country. It is my view that there is very little good reason as to why the issues that have been negotiated should not form part of the public discussion well and truly before the agreement is finally agreed to. Indeed, I see it as being absolutely wrong that the parliament of Australia only gets to see the agreement after it has been finalised. I believe that is what is wrong with the current process and that is why, under the current circumstances, we have come to the point tonight of having to debate the issue at this late hour.

The second observation I want to make is that the term 'free trade agreement' is in itself a misnomer. The truth of the matter is that under free trade agreements, as they are referred to—I would much prefer them to be referred to as simply preferential or bilateral trade agreements—much greater burdens, obligations and regulations on the parties to those agreements are imposed. Indeed, the agreements in turn put pressures on other matters of government as a result of having been signed. This is not the time for me to go into what some of those concerns are, but I am well aware that many a time there have been suggestions raised by people within this place about changes to our laws and someone says, 'We cannot do that because it breaches one of the free trade agreements that we have entered into with a country somewhere' or 'It breaches our commitments to the World Trade Organisation as part of our participation in their processes.'

Today, China is a very different country to the China of 1971 when Gough Whitlam first publicly recognised the importance of China and Asia to Australia's future. The ascendency of China over the past four decades and its strategic positioning has changed its place in the world. It is in that context that Australia's partnership with China should be structured.

With all agreements there are winners and there are losers. That certainly appears to be the case with respect to the China-Australia Free Trade Agreement. The question that therefore arises and that should be answered is whether on balance the agreement is good for Australia, bad for Australia, or perhaps neither. The truth is that that question cannot be answered up-front, and it will only be after CHAFTA has been in place for some time that we can truly assess the effects of the agreement.

We have already seen that with respect to other agreements we have signed in the past, be it with the USA, Thailand, or others. All of those agreements at the time were talked up with respect to their benefits to Australia. The truth of the matter is that there is now little or no evidence that those benefits, the expectations that were created at the time, were indeed achieved.

It would also be naive to attribute all growth in trade to free trade agreements and then ignore the advances in internet communications, better transport system, a growing Asian middle class, and, most importantly, changes in Australian currency values. All of these things have had a real impact on trade between Australia and other countries. Indeed, it would
seem to me—and I have made this point previously—that the fall in the Australian dollar from over US $1 last year to somewhere around US $0.70 cents to the dollar this year well and truly overshadows any reduction or elimination of tariffs in this agreement. I also note that China, Japan and the USA, all three of whom are major trading partners with Australia, were already major trading partners with Australia before we entered into any free trade agreements with them. Indeed, I have heard members opposite come into the chamber and speak in respect of this bill about the importance of our trade with each of those countries, and in particular with China. They have quite rightly pointed out the significance of that trade. I say to those members: it occurred without a free trade agreement. So, again, let's be realistic about what we can achieve with trade agreements.

It is also the case that the benefits of this agreement have been exaggerated. Many of my colleagues on this side of the House spoke about the exaggeration of the number of people who were going to be employed as a result of this agreement. Many members opposite have put forward what I would call grossly exaggerated new employment figures that will arise from the agreement. The truth of the matter is that we do not know how many jobs will be created. I might come back to that point a bit later on, because I have made the point that there are winners and losers in every agreement, and there are losers in this agreement, and jobs will be lost in some sectors as a result of the agreement. But, of course, they might be offset by those factors that hopefully will grow.

The truth of the matter is that trade, with or without a trade agreement, is driven by demand, supply and by price, and always has been. As an example of that point, in recent times live exports to Vietnam have risen sharply without a free trade agreement. Processed beef sales to China also escalated in recent years and are currently near the quota allowed under the agreement. Again, that all occurred without a free trade agreement.

On that very point I also note that in this agreement there are quotas that apply to some products. Those quotas—at least, those that I have been able to detect—apply to beef, wool, and milk powder, which are three products that members opposite have relied upon to argue the importance of having this agreement in place. With quotas in place, it limits the amount of growth for those sectors, albeit that some of them might still be able to grow in export sales to China. With respect to beef, we are already selling over 160,000 tonnes of beef per year to China, and with a quota of 170,000 tonnes locked in for the next four years, there is little prospect for new beef sales to China on the basis of this agreement. But, nevertheless, I am just pointing that out as a matter of fact.

I am also concerned not so much with quotas as I am with what I would refer to 'behind the border barriers', which I have no doubt will be imposed by the Chinese authorities if it suits their purpose. If it does not, obviously they will not. I also note the emphasis that has been made on the growth opportunities for the services sectors in Australia under this agreement. I quote from an article written by Angus Grigg in The Australian Financial Review of 24 June 2015: 'Telecommunications concessions, which were trumpeted by the government as the most extensive commitments in any agreement to date, were two months later—that is, in January of this year—all given to firms from other countries.' Again, it is one of the concessions supposedly granted to Australia that made this agreement extra-special for us, but two months later all of those concessions were given to other countries. The story also points out that concessions handed to Australian banks around the trading of the yuan were also
given to others. In addition, import duties on 14 consumer goods would be cut in half, regardless of which country they were imported from. The point I strongly make about this is that the concessions Australia believed it had won as a result of the negotiations with China over this agreement have already begun to slip through our fingers, because the Chinese are granting those same concessions to other parties and other countries of the world.

I spoke earlier about the exaggerated jobs claims. Again, I simply make this point to those members opposite who have come into the chamber and criticised some of the unions for taking a stand on behalf of jobs and job seekers in this country: the truth of the matter is that it is on those very points that the negotiations took place between the government and the Labor Party. Concession were made, and those concessions are testimony to the fact that the stance taken by the unions, the Labor Party, and others, with respect to standing up for jobs in this country, were valid concerns. I also make this point about the issue of jobs and the ability to bring foreign labour into the country as a result of the agreement.

If the provisions did not mean what we believed them to mean and if there was no risk to Australian jobs at all, why were the provisions written into the agreement in the first place? Why did they appear in this agreement when no similar provisions appeared in any other agreement? That is a question for the government to answer. But the truth of the matter is that when you read the agreement—and it has now been read by several independent experts—there was a risk of Australians losing jobs to foreigners as a result. The point about the $150 million investment project in Australia also needs to be clarified, because the Chinese investment in that program needs to be only 15 per cent—in other words, $22½ million.

I now turn to the three contentious issues that were the subject of the negotiations between the government and the Labor Party. These issues relate to the use of Chinese labour, which I just referred to a moment ago, the recognition of overseas skills and the temporary skilled migration income threshold. On all three of those matters, I believe that progress has been made. Did we go as far as I would have liked to have seen us go? The answer is no. I believe that we could have gone further. The government should have conceded more ground on those issues because there is still considerable uncertainty as a result of the agreement reached. But, nevertheless, I accept that it is progress with respect to the agreement and it does provide a better agreement than the one we were originally presented with.

I also make this point about having any kind of regulation or law entrenched in some piece of legislation. I spoke only last week about the issue of 457 visas, which come in under strict laws, supposedly. The truth of the matter is that, unless those laws are enforced and unless the authority that is tasked with enforcing those laws is adequately resourced, it really does not matter how watertight those provisions are when written into law. They can still be circumvented by shrewd and smart operators—and that is exactly what is already happening.

So I simply make the point that I would like to think that, whatever agreement was reached between the government and the opposition on this matter, those provisions will be implemented and enforced and that the departments tasked with enforcing them will be properly resourced.

I close on this point. I have several acquaintances—people I have known for years—who already do business with China and, indeed, with other countries, and who have done so for years. They were never reliant on a free trade agreement. They were reliant on their entrepreneurial skills, their business skills, and on identifying opportunities and making the
relevant and necessary contacts that they had to make. This agreement will be useful in assisting people who want to trade with China; but, at the end of the day, it will still be up to each individual who has a product to sell to do their own negotiations and to enter into their own buying and selling arrangements with the Chinese company or entity that they are dealing with. On that note, I conclude my remarks.

Dr JENSEN (Tangney) (21:48): I rise to speak on the Customs Amendment (China-Australia Free Trade Agreement Implementation) Bill 2015 and related bill. I found that contribution somewhat staggering in some regards. The member for Makin seems to intimate that, because you trade with someone, there is no need to look at or liberalise those trade agreements. I wonder what the member for Makin would have made of the Hawke and Keating legislation that removed tariff barriers and those sorts of issues in the 1980s in order to liberalise the trade regime. After all, we were trading with those countries before, weren't we? No need to reduce tariffs or anything else, because we were trading with them anyway! The point is that we want to increase that trade.

The member also made note of the issue of jobs in saying that the government giving ground on this issue indicated that these were valid concerns. The simple fact is that, once again, getting this agreement through the parliament was critical. A lot of jobs are highly dependent on the legislation for this deal getting through by the end of the year. Quite frankly, we were not going to be hijacked and held hostage to demands as far as all sorts of Labor amendments were concerned, but we certainly conceded on some, not necessarily because they were valid but simply because Realpolitik means that sometimes you have to cut a deal to get legislation through.

In terms of increasing trade or not with a free trade agreement, one need only look at what happened in New Zealand and the massive increase they had in their dairy penetration into the Chinese market compared with Australia to see the value of these free trade agreements. In unlocking the experiences of the past and looking to the future, one must recognise that every vote against ChAFTA is a proxy vote for protection—and that is essentially what the member for Makin is arguing. A vote for protection is, as Churchill put it, a vote to give governments the right to rob Peter to pay Paul and to charge the public a handsome commission on the job.

I wish to remind the House that, according to the Leader of the Opposition, this is the year of the big idea. In such a year, one would expect or would be forgiven for thinking that there would be hundreds of ideas. But what is the Labor reality? Five. One idea every two months—staggering! This is indicative of the Labor Party more generally. They are reactive not proactive. They are negative, small-minded and backward looking. They are a jealous, envious bunch who believe that the quickest way to the fruit at the top of the tree is to chop that tree down, not to climb the tree. Labor are leaners not lifters. This ChAFTA debate has been and is a litmus test for Labor's current leadership. It is instructive that in government Labor resisted a union campaign against the original scheme and a host of Labor elders such as Martin Ferguson, Simon Crean, Peter Beattie, John Brumby and Bob Carr, among others, as well as a raft of business leaders, have welcomed the agreement.

While Labor and the unions claim that there may be some benefits in delaying the agreement or seeking to revisit provisions relating to the labour market in a few years, there are undoubtedly huge costs, too. The National Farmers' Federation has estimated that if an agreement is not put into force by the end of 2015 it could cost the sector $300 million,
mainly through having to pay additional tariffs. And Australian industries will continue to suffer as major competitors, such as New Zealand, continue to enjoy preferential treatment after having already signed agreements.

This historic agreement is a game changer in so many ways. It truly is more than the sum of its parts. For to really grasp the magnitude of the win that we have here, one really must look to the many positive spillover effects of trade. Trade is the greatest diplomatic tool we have. Trade is one of best defences, for to trade is to know. With the familiarity earned through trade there comes an understanding. The language of war should never enter the debate about trade. The transactions of trade, like the quality of mercy, are twice blessed, and confer benefits on both parties.

China is already the largest single market for Australia's service exports. To date, this has been dominated by education, travel and tourism. In 2014, education, travel and tourism exports to China constituted over 60 per cent of Australia's total services export. China is our largest source of international students—about 29 per cent of the total. And it is our largest source of tourism expenditure—18 per cent of the total. Australia's export of other services to China has been less impressive to date. However, ChAFTA lays the foundation for much faster export growth across many services.

Chinese consumers have not just burst into the middle class; they have embraced online retail more than just about any other country. Online retail accounted for around 10 per cent of overall sales at the end of 2014, with spending at almost half a trillion dollars during that year. This means that the Chinese online retail market is now larger than that of the US. It is forecast to rise to 13 to 14 per cent by the end of this year. By contrast, online retail accounts for around seven per cent of sales in Australia and around the same proportion in the United States.

Never before has it been so easy for Australian businesses of all sizes, across just about every industry, to reach new and expanding markets in China. I know that in my electorate of Tangney this historic deal with China will mean new market opportunities for the architects, software designers, teachers, accountants, financiers and universities. I know too that everyone, and not just our hardworking professionals, will benefit from lower prices resulting from the reduction or removal of many tariffs on everyday items. So this trade deal is absolutely consistent with what the coalition took to the election in 2013. It is the product of the coalition government honouring our commitment to the Australian public to deliver relief of cost-of-living pressures and to create new opportunities for economic growth.

The Labor Party would rather that we shrink the economic pie, close our doors and bury our heads to the world of the 21st century. The union campaign against the China-Australia Free Trade Agreement is a mixture of misinformation, confusion and xenophobia. But it does hide an uncomfortable truth: labour market protectionism encourages the exploitation of foreign workers. The ACTU argues that ChAFTA will 'shut out locals from jobs'. They point to three controversial provisions. The first is the elimination of labour market testing for Chinese workers in the 457 visa program. But, quite frankly, the requirement has always been a ticking-the-box waste of time. An independent review last year found that it was pointless and cumbersome. There is no evidence that unemployed Australians in any way benefit from this regulatory hurdle.
Another controversy relates to skills requirements. The unions say ChAFTA means that foreign tradies could come to Australia who do not meet Australian standards. But the skills requirements under ChAFTA are exactly the same as for most other countries we accept skilled workers from. ChAFTA just removes a discriminatory higher bar for Chinese workers. The higher bar still applies, I might add, to a small number of other developing countries.

The final controversy concerns major projects. A side memorandum to ChAFTA establishes a new type of labour agreement: 'investor facilitation agreements' that allow major infrastructure projects to bring in foreign workers. But we already have similar labour agreements. The essentials of the law have not changed. Claims that ChAFTA changes existing major project wage requirements are simply wrong. To the extent that there is exploitation in Australian immigration, it is because employers are able to use restrictive visa conditions—demanded by unions to protect Australian workers—as a stick to wield against foreign visa holders.

This is not the occasion for a history lesson, but we should never forget that the history of our two nations is long, rich and complex. We could not imagine modern Australia without China's contribution to our people, our culture, and our prosperity. And perhaps above all, in our darkest hour, when our foes were literally on our doorstep, when our cities were under direct military attack—then, at that tipping point in our history—China was our staunch, indefatigable ally.

I note that Labor will not pay heed to history but will be true to it—and theirs. For as Churchill once said:

Men occasionally stumble over the truth, but most of them pick themselves up and hurry off as if nothing ever happened.

The DEPUTY SPEAKER (Mr Vasta): It being 10 pm, the debate is adjourned.

House adjourned at 22:00

NOTICES

The following notices were given:

Mr Hartsuyker: to present a Bill for an Act to amend the law relating to higher education and research, and for related purposes.

Dr Hendy: to move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Fit-out of existing leased premises for the Australian Taxation Office located in Northbridge, Western Australia.

None.
The DEPUTY SPEAKER (Mrs Griggs) took the chair at 09:30.

CONSTITUENCY STATEMENTS

Sydney Electorate: Barangaroo Reserve

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (09:30): Not so long ago, I took my son to visit the new Barangaroo headland reserve in my electorate of Sydney. It is the most beautiful new nature reserve at the heart of Sydney, a reconstructed naturalistic headland based on the pre-1836 shoreline. I loved it, and of course my little boy loved it too. It is named after Barangaroo, a Cammeraygal woman. She was a leader in the local Aboriginal community at the time that Europeans first arrived. Watkin Tench's account of the flogging of a convict who had stolen from the local Gadigal people describes the reaction of Indigenous people to the brutal punishment. One woman, he wrote, shed tears, but Barangaroo, 'kindling into anger, snatched a stick and menaced the executioner'. She was ever, he went on, 'fierce and unsubmissive'. I am pleased that this brave woman is commemorated in this way.

The name was suggested by Nigel Dawe, then working at Jamnali railway station. Nigel was a very popular State Rail employee, not just for his cheerfulness but also for the thoughtful quote of the day that he would put up on the blackboard at the railway station every day.

The headland park opened on 22 August this year. It is the most recent step in the long process of claiming and keeping access to our beautiful foreshore for Sydney's residents and visitors alike. In 1895, the Land Appeal Court described the Sydney Harbour and the foreshore land as the 'people's inheritance'. Still, it was not until the election in 1910 of the McGowan Labor government, NSW's first Labor government, that anything really serious was done. That government spent 150,000 pounds on the wholesale resumption of land around North Head and Vaucluse. Niels Nielsen, the New South Wales Minister for Lands, spearheaded that project. He condemned 'the want of forethought on the part of those who had governed the state in the past in allowing such an enormous area of those beautiful waterfronts to be taken away from the people'. This inheritance was passed on to Labor leaders such as Bob Carr and Tom Uren, who, as Premier and a community campaigner at the time, delivered Ballast Point back to the people—and of course I am proud of my own small role in that victory.

A hundred years after Nielsen, the new Barangaroo Reserve owes everything to the passion and commitment of a former Australian Prime Minister, Paul Keating. He was the chair of the Barangaroo Design Excellence Review Panel until 2011. Paul Keating has said that the first spark of an idea for Barangaroo Reserve was born when he was just 15, watching the old Sydney finger wharves being replaced. He insisted that Sydney look further back into our maritime history. Due in large part to his persistence, we can now see the headland the way it would have looked to the Indigenous people whose home it was, including Barangaroo.

Lindsay Electorate: Small Business Awards

Ms SCOTT (Lindsay) (09:33): Wednesday, 7 October saw the small business awards in the Panthers marquee in Penrith. It was a wonderful event, and it is also wonderful to support local small business. Two-thirds of the community in Western Sydney have to commute every
single day for work, one-third to the city and one-third into other places around greater Western Sydney. The Penrith region has in the vicinity of 10,000 small businesses. These 10,000 businesses are essential so that more people can work, live and play close to home.

I would like to now go through a few of the winners at that wonderful event. The youth award went to NRMA Insurance Penrith, to Chantelle Donnelly; the home furnishings award to Plush Penrith; and the award for fruit and veg to Trim's in Penrith. The florist of the year award went to Red Lily Floral Design, the automotive service award to Kingswood Smash Repairs, the award for the fashion shop to Rockmans at Lennox Village, the specialised retail business award to Maria Fellowes & Turner Travel Associates, and the antiques, art, craft and gifts award to Duck In, on High Street, Penrith.

The butcher and delicatessen award went to Deli Delights; the pharmacy award to Tony Ferguson's Terry White Chemist; the fast food takeaway award to Atlantic fish and chips, in Nepean Village; and the specialised business award to HCF Penrith. The bakery/cake shop award went to Belle Saveur; the fitness improvement services award to Oxigen, in Penrith; the health improvement services award to the Healthy Body Company; and the beauty services award to Chic Penrith. The restaurant of the year award went to the Hog's Breath Cafe in Penrith. The pet care award went to Orchard Hills Veterinary Hospital. The home based business award went to First Choice Conveyancing and the hairdressing award to Insignia Hair and Day Spa.

The service and trade award went to Lower Mountains Air Conditioning; education service, Munchie Movers; jewellery store, Penrith Jewellery Workshop; cafe, Cafe Fred, which is just near my office; new business, The Creative Fringe; childcare services, Little Zak's Academy in Jordan Springs; professional services, SCU in Penrith; real estate agency, Elders Real Estate in Penrith; business person of the year, Esteem Hair Beauty Spa; and business of the year, Lower Mountains Air Conditioning.

These are wonderful local businesses, wonderful local entrepreneurs, who have been working very hard to keep local people working. The other night I was sitting with the wonderful Gina Field, who is not only an incredible entrepreneur herself from Nepean Regional Security but also the president of the Penrith Valley Chamber of Commerce. She said:

I have been involved in the local business for many years. The local business awards give small business a platform to not only build up the business but to inspire and motivate their employees as well. As the president of the Penrith Valley Chamber of Commerce and a small business owner myself, I know that owning a small business can be a lonely place at times.

Winning an award and awards programs give small business self-acknowledgement and the encouragement to continue to do what they do best and continue to grow and employ. I congratulate all of the businesses and hope that they have a very good year this year and that, as we run into Christmas, they are all getting ready and they have all their stock on their shelves.

**Fowler Electorate: Mingyue Lay Temple**

**Mr HAYES** (Fowler—Chief Opposition Whip) (09:36): Last Sunday, I attended the 34th anniversary of the founding of the Mingyue Lay Temple, the Chinese Buddhist temple located in Bonnyrigg, in the heart of my electorate of Fowler. In fact, the establishment of this vibrant and bustling temple, now a fine example of Chinese ornate architecture, can be traced back to
the early 1980s when this very prominent building in my electorate started out as a small fibro house located in the south-west of Sydney. Led by a small group of local Indo-Chinese residents, this temple has developed into a prominent religious shrine through the generous donations of the local community and its many benefactors, including Mr Sop Sisomphou. Mr Sisomphou is a Laotian-Chinese refugee who donated over half his earnings to the construction of this temple. Under his leadership, the Australian Chinese Buddhist Society was established, the community organisation that is responsible for the administration and day-to-day running of the Mingyue Lay Temple.

This year also marks the inauguration ceremony of the 18th executive and management committee of the Australian Chinese Buddhist Society, which saw Mr Vincent Kong re-elected as president for the second time. Under his leadership and that of the chairman, Mr James Chan, the temple's function goes beyond that of religious services, and I have witnessed first-hand on many occasions their fundraising activities for the welfare of Australians in need, as well as for overseas humanitarian causes. Their charitable works and community endeavours are second to none and are efforts which have promoted and continue to promote diversity and inclusion in our community.

Australia prides itself on being a multicultural nation and it is organisations like the Australian Chinese Buddhist Society and the Mingyue Lay Temple that make an extremely significant difference in the lives of many people, particularly those living in my community. On behalf of a very grateful community, I thank them for all they do. The Australian Chinese Buddhist Society and the Mingyue Lay Temple serve as a beacon of tolerance, acceptance and inclusion in our very diverse community that I have the honour to represent, and I look forward to working closely with Vincent Kong, James Chan and the rest of their management committee for many years to come.

**Page Electorate: Coal Seam Gas**

Mr HOGAN (Page) (09:39): Coal-seam gas has been a contentious issue in the Northern Rivers for the past 45 years. At times it has been very polarising and at times very unifying. In late 2012 I started to get inundated with YouTube clips and articles about the dangers of CSG. I did not believe I could make up my mind without viewing the industry firsthand. The industry in my region was very much in its infancy, so I drove up to the Tara and Chinchilla region in southern Queensland. I spoke to many people that day and came away with a very firm opinion. I will quote from a statement I put out at the time:

Last week I toured the gas fields in Tara and Kogan and I have seen first-hand the effects of CSG mining on the environment and the community. I went to the CSG fields in Queensland with reservations about the industry and returned with grave concerns. The infrastructure is incredibly invasive and properties are devalued when CSG is next door. Given farms are much smaller in our region the impact would be even greater.

… … …

After I had researched, listened to both sides and seen CSG production firsthand, I asked myself if I would like a well on or near my property. The answer is no. I run a cattle property in the area and I would not want CSG on or near my farm. I sympathise greatly with those who are fighting on this principle and cannot expect others to accept CSG mining into their neighbourhood if I would not accept it into mine.
I wore a lot of flak over that statement when I first made it. I wore a lot of flak from people who are now my federal parliamentary colleagues, from some state parliamentary colleagues and from some in my community. I also received great words of support from people who are now my colleagues in federal parliament and, indeed, from members of my community.

Since that time, I have lobbied colleagues. I went to Bentley, which was a protest site of a potential drill-mining site in our region. I met with ministers and I had meetings with prime ministers about this issue. I have amended, in this place, my own government's legislation regarding the water trigger legislation. I moved two amendments to my own government's legislation. The first amendment made it compulsory for state governments to consider the Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development. The second amendment ensured that the federal government can request advice from the IESC and that the federal minister retains the right to call in projects.

This week, my state National colleagues announced the buyback of PEL 445. This is very significant. We still need to do two or three more, but I acknowledge my state colleagues Chris Gulaptis, Geoff Provest and Thomas George and, indeed, the state government, who have worked tirelessly at reducing the footprint of this industry in our region. I also, lastly, thank my community. They highlighted this issue to me. They spoke to me. They, indeed, educated me on it. This has shown me that democracy works. I have been pleased to able to play my part as a community representative, and I look to more good news on this industry in my region soon.

Gambling

Ms HALL (Shortland—Opposition Whip) (09:42): Last night I watched the ABC program Ka-Ching! Pokie Nation and it reminded me just how much impact poker machines have in Australia, how we as a federal parliament have failed to address that issue and how state governments throughout the country share that failure as well. Poker machines cause enormous hurt and enormous damage. I have had parents come along to me and tell me about their son who took his own life. I was talking to the member for Sydney a moment ago, and she was telling me about somebody that she is very close to whose husband took his own life. Yet we turn a blind eye to it. We let it happen. We let it continue. We allow this hurt to continue in our community.

Last night this program emphasised to me just how immoral the poker machine industry is. Programs are designed by psychologists and mathematicians. There are formulas that are put in place to ensure that people end up losing all their money in the end if they have an addiction to poker machine gambling. The program also emphasised the addictive nature of poker machines. They impact on the same area of the brain that cocaine does. That is how addictive they are. The *DSM-IV* has moved poker machine gambling into the substance abuse section of that document.

We sit in this parliament and we do nothing about it. We had an opportunity and we walked away from it. Legislation was introduced; it is gone, and people continue to hurt. It is those people that are most disadvantaged that poker machines have the greatest impact on. I know that my electorate has one of the highest numbers of poker machines and one of the highest numbers of people that are impacted by gambling. The poorer you are, the more likely you are to be attracted to them.
And then I look at the power of the lobby groups. I look at the clubs and the campaign that they raised against members of this parliament to frighten them into not supporting the legislation. It is unforgiveable. You have Woolworths and Coles as major poker machine owners. I think that as a nation we have actually got to address this issue. We need regulation, we need some form of precommitment and we certainly should not be allowing ATMs to sit beside the poker machines. It is not good enough. We need to act.

**Hinkler Electorate: Infrastructure**

**Mr PITT (Hinkler) (09:45):** Well-maintained roads are incredibly important in any community but particularly in regional areas where distances are vast and infrastructure is prone to flooding. They are part of our social fabric. It is the most common method of emergency retrieval. It is how we travel to school, sport and work. Our road network is essential to our economy, enabling farmers and commercial fishermen to get their products to market. That is why I am pleased to see proactive members of my community like Geoff Redpath petitioning the Queensland parliament to upgrade the intersection of Urraween Road and Maryborough Hervey Bay Road.

The intersection is considered by many to be the most dangerous in Hervey Bay. It is used to access four local schools and St Stephen's Hospital. It is the main heavy vehicle traffic corridor to and from the Dundowran industrial estate and is also heavily used by daily commuters travelling north and south on Maryborough Hervey Bay Road. I am advised that the current traffic count analysis of this intersection shows the practical absorption capacity is exceeded by approximately 25 per cent. At peak times traffic congests in all directions to form long queues. All 4,667 petitioners are requesting state government funding to upgrade the intersection of Urraween Road and Maryborough Hervey Bay Road to an acceptable safety standard. I look forward to seeing the state Labor government's response. The Urraween Road intersection was, after all, committed for upgrade by the previous state LNP government.

While I am on the topic of roads I am pleased to say I have delivered on each of the election commitments I made relating to road infrastructure before the last election. The upgrade of Old Toogoom Road is now complete with the coalition providing $1 million for the project. I recently inspected progress on the upgrade of River Heads Road, for which I committed $3.75 million in federal funding. The $6.7 billion we are providing to upgrade the Bruce Highway over 10 years includes $7.1 million to improve drainage on a 2.2-kilometre stretch south of Torbanlea, $8 million for three intersections near Childers and $6 million for the overtaking lane north of Howard. The coalition has increased Roads to Recovery funding to Bundaberg Regional Council by about $4.45 million to $12.9 million between 2014-15 and 2018-19. The Bundaberg Regional Council will also receive $563,000 in 2015-16 to upgrade road black spots like the Mittelheusers Road intersection upgrades at Burnett Heads. Fraser Coast Regional Council's allocation for Roads to Recovery has increased by $5.24 million to $15.2 million between 2014-15 and 2018-19.

I would also like to place on record that I have not promised any Commonwealth funding for prefeasibility studies on the proposed Burrum River bridge either before or since my election. It was a commitment given by my predecessor, Mr Paul Neville, at the 2010 federal election. However, the coalition did not win government in 2010. While I support the project.
in principle, I believe projects like the Urraween Road intersection are high priority amongst locals.

**Australia-New Zealand Relationship**

Ms O'NEIL (Hotham) (09:48): Throughout our history New Zealanders have shown a great deal of generosity in sharing their cultural icons, achievements and creations with us Aussies. Some might even suggest that we have shown a willingness to appropriate these things. Whatever the intention, whether it is Crowded House and Kimbra or Weet-Bix and pavlova, New Zealanders have shown a willingness to share their culture with their friends across the ditch.

Unfortunately, the strong friendship which underlies our dealings with New Zealanders is today not reflected in the manner in which Australia treats New Zealanders living in our country. Policy changes made primarily by the Howard government have created significant injustices for New Zealanders living in Australia, and I believe that some of them need to be corrected.

Policy that reflects the long history of close friendship between our two countries allows New Zealanders and Australians to cross the Tasman freely. When Australians go to New Zealand, they have access to something that is very close to citizenship rights, but the reverse does not apply to New Zealanders who come to live in Australia. Changes made by the Howard government have created a lottery system for New Zealanders, where those who happened to be in Australia on certain dates have something close to citizenship rights whereas other New Zealanders—some of whom have now lived here for decades—have no such rights.

The stripping away of rights for New Zealanders is unfair on its own, but it has also created some really terrible human rights consequences. For New Zealander women who are caught in this visa trap and who are in domestic violence relationships, it can be a lot harder for them to access housing and other supports. For women in those situations who have Australian children, the situation is even worse. They cannot go home, because their kids are Australians. They are not able to get the services that they need, and many of them are unable to support themselves here in Australia, leaving some very unpalatable options available to them.

Another injustice is for New Zealanders living in Australia with disability. Children who are in Australian schools can currently access disability support, but they will not be eligible for the NDIS. This will mean that those young people actually see a reduction in their support, which is required to help them deal with their disability. HECS changes are another major issue. New Zealanders living in Australia are not allowed to access our HECS system. For people who may have lived in this country for decades, that means that they are trapped in low-skill jobs and unable to make the investment that they need to get the skills that are required to operate in a modern economy. We welcome the government's decision to finally try to correct this situation by allowing HECS legislation that was put forward by Senator Carr in the other place to take priority, but I want the government to go further and consider what rights we should allow New Zealanders living in Australia. We should not leave our friends across the ditch living in Australia in limbo. That is simply unfair and does not reflect the strong cultural and friendship connections that we have with our friends across the Tasman.
Cowper Electorate: Broadband

Mr HARTSUYKER (Cowper—Minister for Vocational Education and Skills and Deputy Leader of the House) (09:51): Last week nbn co announced the latest three-year rollout to accelerate the development of a superfast broadband service across the country and, in particular, in my electorate of Cowper. This plan demonstrates the coalition's commitment to closing the digital divide by providing fast internet to every home and business in rural and regional Australia by 2020. The release of this broadband construction plan gives certainty to businesses and residents across the North Coast, many of whom are dependent on reliable internet connections.

The coalition is committed to delivering faster broadband sooner—six years faster than the previous government's policy for all-fibre broadband. Labor's broadband policy was a cruel fantasy which promised things that simply could not be delivered. The coalition government has brought order to chaos, and we now see a concrete, realistic plan that will be delivered more than six years earlier than the Labor Party's model. After six years of Labor's waste and mismanagement, some 51,000 users were connected to the NBN fixed line service and wireless networks—an abysmal result. Now, more than 1.3 million homes and businesses can order an NBN service, and construction is underway to connections to some 700,000 homes and businesses. Around 600,000 premises already have an active connection and are enjoying the benefits of very fast broadband, and hundreds of thousands more will benefit from the accelerated roll out over the next three years.

Superfast broadband is important for the North Coast, and businesses will grow and flourish as a result of this development. Faster broadband will transform education, banking, health care and other critical online services and boost business competitiveness and growth potential for the North Coast and the rest of Australia. The broadband services that many metropolitan residents take for granted are yet to be experienced by those in areas across the Cowper electorate, such as Kempsey, Halfway Creek, Nambucca Heads, Dorrigo, Macksville, Woolgoolga and South West Rocks. So news of the nbn co's three-year rollout construction plan has certainly been well received, with some 26,400 North Coast homes and businesses eager to have that connection. Construction will start in the third quarter of next year, which is positive news for every business and residence in the rollout area. The latest NBN construction schedule continues till September 2018 and provides a detailed breakdown of when the network will be starting in specific locations across the North Coast and of the type of technology that will be used.

While I would like to see every residence and business connected just as soon as possible, the simple reality is that a project of this magnitude takes time. It is unfortunate that some residents will still have to wait some time for their connection, but a detailed plan is a far cry from the endless fantasy that we saw under the previous Labor government, where they gave this rather dubious title of 'construction underway', which was not indicative of how far the work had progressed.

Domestic and Family Violence

Mr CONROY (Charlton) (09:54): I want to take this opportunity to speak about domestic and family violence today, as Reclaim the Night will be held in my electorate next Friday night. Reclaim the Night is an annual campaign to raise awareness about violence against women. I have been proud to attend the previous two Reclaim the Nights in my time as the
member for Charlton. As the father of a young daughter, I do not want my little girl growing up in a society where domestic violence continues to plague our communities in such an horrific way. As the father of a baby boy, I do not want my son growing up in a culture where this is in any way deemed acceptable. Domestic violence is never all right; violence against women is never all right.

The statistics on domestic and family violence are beyond alarming. Just under half a million Australian women reported physical or sexual violence in the past 12 months—half a million women in a country of 23 million. One-third of women have experienced physical violence since the age of 15 and 20 per cent of women have experienced sexual violence since the age of 15. Fifty per cent of girls who grow up in families where domestic violence occurs are more likely to have partners who inflict domestic violence on them when they are adults, and 40 per cent of boys who grow up in families where domestic violence occurs are likely to perpetuate domestic violence when they are adults. We should recognise that violence against men is, equally, never acceptable.

There are no words to describe these statistics. The status quo cannot continue. It is positive that governments at all levels are committing resources to fight domestic violence, and I join my state colleagues in acknowledging the New South Wales government's recently announced $60 million package.

More can and should be done, however, and I would like to take this opportunity to acknowledge the work of my colleague, Jodie Harrison, the shadow minister for the prevention of domestic violence and sexual assault. Whilst the role of governments is crucial in combatting domestic violence, governments cannot fight this alone. We need significant cultural change in Australia, and this must come from every element in our society—in our workplaces, our schools, our universities, our community, and our youth and sporting groups.

I want to pay tribute to the Macquarie Scorpions, a rugby league team in my electorate who are pioneers in fighting domestic violence—a group of footy players and their supporters who have clearly stated that domestic violence is not acceptable. The Scorps have been instrumental in instituting the Let's Tackle Domestic Violence round of games in the local rugby league competition, and I would like to acknowledge the dedication and commitment of the entire club, and, in particular, Kevin Maher, in campaigning against domestic violence.

Before finishing, I wish to place on the record my admiration for Rosie Batty and the magnificent work she does with the Never Alone Luke Batty Foundation in highlighting this horrible epidemic.

Domestic and family violence is never acceptable. It is certainly a positive that all of us in this place recognise the significance of this problem, and it is up to all of us, as the elected representatives and local leaders of our community, to make Australia a safer place and do everything we can to end domestic and family violence.

The DEPUTY SPEAKER (Mrs Griggs): Thank you very much, Member for Charlton. No truer words have been said.

Homelessness

Mr ALEXANDER (Bennelong) (09:58): In early September I ventured out in the early hours of a Saturday morning to Our Lady Queen of Peace Catholic Primary School in Gladesville. The school's Winter Sleepout had taken place the night before and the students
were getting up to bacon and eggs cooked by their caring volunteer mums and dads. It was a great opportunity to talk to some bright and energetic young people, despite their little sleep, about the Winter Sleepout, which raises money for the St Vincent de Paul homelessness response service, Night Patrol, and also raises awareness about homelessness by encouraging students to reflect on the challenging situations homeless people endure. During the evening they spent time in the schoolyard on cardboard sheets to experience what it may be like to try to sleep out without blankets or a roof overhead. The empathy and kindness of students' responses to the experience was heart-warming.

During my time as Chair of the Standing Committee on Economics, I ensured the housing inquiry acknowledged homelessness as a challenge to Australian society that requires action. It was therefore uplifting to see our youngest generation also caring about such a poignant issue by demonstrating an awareness of their good fortune and those less fortunate. The students stressed the need for practical action to prevent homelessness and to take better care of those who then remain homeless—a point with which I am in full agreement. The Standing Committee on Economics inquiry into home ownership is looking at all factors impacting on the opportunity for home ownership, and has received submissions from those representing those most in need. These hearings actively support opportunities for reform, with all options on the table.

What has become abundantly clear is that record low interest rates have advantaged property developers and investors over those seeking to live in their own home. In particular, this impacts first homebuyers and those at the lower end of the market. The investor's ability to now fund their properties entirely by the rents they receive, as opposed to when interest rates were much higher than rental returns, has taken away any limit to the size of their property portfolio. This has led housing to become a highly speculative marketplace, thereby putting access to homeownership beyond the reach of most.

This highly volatile situation needs a remedy. Government policy must promote a goal of optimal levels of homeownership and a requirement for investors and property developers to provide affordable rental accommodation for those most in need, such as those assisted by the School Winter Sleep-out. I thank the parents, teachers and students of Our Lady Queen of Peace Primary School for their important initiative.

The DEPUTY SPEAKER (Ms Price): If no member present objects, three-minute constituency statements may continue for a total of 60 minutes.

Broadband

Ms RYAN (Lalor—Opposition Whip) (10:01): I rise today to speak about more news on the National Broadband Network. On Friday the three-year plan for the NBN was released with much fanfare. However, I discovered that there was very little good news for my electorate of Lalor in the plan. Only HFC will be delivered before the horizon of the next election, and many homes in many suburbs will have to wait until 2018 to be connected to the NBN. Then, yesterday, in Senate estimates we heard that information given to people like Telstra in a document that outlines specific dates about when to speak to homeowners about connecting to the NBN could not be shared with the public because of potential brand damage. I find it extraordinary that we now have a situation where we are worried about brand damage when, since the inception of Labor's NBN, the coalition have done nothing but
damage the brand of what is a major infrastructure project—our digital Snowy River scheme, one could say.

The current government, when in opposition, led by Malcolm Turnbull, the then Minister for Communications, did nothing but damage the brand of this great project. Now that he is Prime Minister we see a sudden concern about brand damage. The government is now suddenly concerned about brand damage if homeowners or businesses are given a particular date on which they can expect to go on to the scheme and that date cannot be met. They have done nothing but trash this project from the outset.

This is one of the major infrastructure projects for this country. It is going to drive growth in jobs in this country. In my electorate it is absolutely critical for small and medium business to be on the NBN as soon as possible. I find it amusing, to say the least, that the coalition are now concerned about brand damage. All documents should be released. Everyone should know when the NBN can be expected to be connected.

I received a letter in May to say that my home would be connected to the NBN. It is now October and no-one has come to connect my home to the NBN. That is typical of what is happening in my community. We have families who are ringing to make appointments to connect to the NBN, and then they follow up with Telstra—only to find they have to take three or four days off work to get these things happening. The Prime Minister needs to complete his portfolio work and deliver on the NBN.

Cowan Electorate

Mr SIMPKINS (Cowan) (10:04): The suburb of Ballajura on the east side of Cowan is the most populated suburb in the electorate. There are five primary schools: Ballajura Primary School, Illawarra Primary School, South Ballajura Primary School, South Ballajura Education Support Centre and Mary MacKillop Catholic Community Primary School. It also has one of the bigger secondary schools in the electorate—Ballajura Community College. There are three small shopping centres and many sporting clubs. There are even four polling booths, which I think are too many but which do suggest the scale of the suburb.

I have certainly enjoyed my work in Ballajura, and there has been significant federal activity there. When I was running for office in 2007 I did a petition that got the Hepburn Avenue extension in Ballajura recognised, and it was federally funded. The Dungeon Youth Centre has had a federal grant. Local community groups have had small equipment grants, volunteer grants and a range of other funds provided. The Alexander Drive and Illawarra Crescent North intersection black spot was funded for traffic lights. An extension of the CCTV system at Kingfisher was also funded by this government. I am also currently working with several of the local sporting clubs to get them federal funding for their great and effective work in the Ballajura community.

That brings me to another long-term project that I hope will come to fruition in the next two years—that is, the aged-care complex in Paradise Quay. This is much wanted and long awaited by the Ballajura community. There is no doubt, however, that the driving force behind this project is Mel Congerton. He is the one with the drawn-up plans and he was there for our meeting with the state minister to talk about the impact on the project of the state owned facilities in the area. Others may claim it and seek the photo opportunities, but it was always him who worked on the detail. Together with the City of Swan's CEO, Mike Foley,
and his entire team, they have been the ones responsible for getting this project going and for driving it forward.

Unfortunately, last Saturday Mel Congerton was unsuccessful in his bid for re-election in the Ballajura Ward election for the City of Swan. All three of the councillors are Labor Party members, as I understand—not that there is anything wrong with that—but there can be no false pretence of political independence. I certainly pay tribute to Mel for his hard work and dedication to the people of Ballajura and his work to get so much done around the suburb. I know that he will continue to work on the aged-care project, and I look forward to being there to celebrate its conclusion with Mel.

Apart from the aged-care and independent living facilities on Paradise Quay, I would also like to talk about the final dualling of Hepburn Avenue. I see this as a conclusion of the work I have been doing for years, from when I got the Hepburn Avenue extension on the federal agenda. With this road finally being made a full dual carriageway, the last of the choke points from the Bellefin intersection up to Marangaroo Drive and then onto Alexandra Drive will be fixed. This is particularly important when we consider that NorthLink, the project also known as the Swan Valley Bypass, funded by this government, will work far better with a smoother and more effective Hepburn Avenue, and that is good for all the people of Ballajura.

**Perth Electorate: Broadband**

Ms MacTIERNAN (Perth) (10:07): Suburbs with some of Australia's poorest broadband are still not in the Turnbull government's planned rollout of their second-rate NBN. Last week nbn put out its latest three-year rollout plan, and Bayswater, Bedford, Maylands, Embleton, Inglewood, Noranda and Dianella have once again been left off, meaning that they will not receive any high-speed broadband until 2019 at the earliest. Bedford is rated as being in the second lowest band for broadband quality in the nation, with median speeds of around nine megabits per second, according to the Broadband availability and quality report and the MyBroadband site of the Department of Communications and the Arts.

However, based on the work we have been doing with residents in those areas, we suspect that the actual speeds are much worse than those listed on those sites, which are very much based on a sheer calculation of distance from the exchange. If I can talk about one street, Shaftesbury Avenue in Bedford has particularly bad connections due to the fact that the copper wire simply has not been maintained for the last 15 years. There is a lack of capacity and quality on that line. When it rains, we constantly find not only that they are not able to get data services; they are not even able to get voice services. The residents tell us that they would be happy to get 20th century speeds, but they are not even getting that.

I repeat that when Malcolm Turnbull, before the last election and subsequent to the election, made it very clear that the reason he was going with his dumbed-down version of the NBN, the reason we were getting a second-rate scheme, was so that it could be laid out more quickly and so that he could ensure that those suburbs, regions and towns with the poorest services and the greatest need for upgrade would receive first priority. That has not happened here. These suburbs have been left off, and I suspect it is because we are still living in ‘Turnbullistan’. We are still trying to pretend that that copper is bright and shiny. I noted, even last night, Mr Morrow, the NBN CEO, claiming that he was really happy with the copper that was being revealed as the rollout preceded in the eastern states. But I can tell you that the copper in Bedford, Maylands, Inglewood, Noranda and Dianella is not bright and shiny and,
when you start digging that up, you are going to see the need to either replace that or put in fibre. (Time expired)

Dobell Electorate: National Science Week

Mrs McNAMARA (Dobell) (10:10): Members of this House would be familiar with the many events that took place around Australia as part of National Science Week. The CSIRO, as part of a national effort to promote National Science Week, arranged for local science, technology, engineering and mathematics professionals to visit local schools and engage with students. The engagement of students focused on these disciplines known as STEM, as recent research has indicated that student involvement in these areas is declining; and, while the number of students undertaking studies in these subjects, job prospects in these areas are actually increasing. Seventy-five per cent of the fastest growing occupations now require skills and knowledge from the STEM fields. The events coordinated by the CSIRO during National Science Week were intended to highlight to students how important these skills are in regard to employment prospects.

In my electorate of Dobell, with a high youth unemployment rate, I am pleased to see more activities being undertaken to encourage students to embrace the positive aspects of STEM fields. The students of Wadalba Community School hosted a visit from Dr Sophie Parks, a PhD graduate from the Ourimbah campus of the University of Newcastle, employed by the New South Wales Department of Primary Industries. I would like to thank Dr Parks for taking the time to demonstrate to students how STEM skills can lead to local employment.

On the day, I met with students involved in the school's agricultural program. As I learnt from the students, I was impressed by their efforts in managing the treatment of sick trout in their school fishponds. After showing me the fish facilities, the students demonstrated to me their greenhouse programs. Dr Parks, being a plant physiologist, was able to explain to the students how the work they are doing has real-life application.

I did not think I could be any more impressed with how the school was preparing students for post-school life until I was advised of their job-readiness program and mock interviews. At Wadalba Community School, interviews are arranged to assist year 10 students equip themselves for their subject selection, ensuring that the students' subject choices for years 11 and 12 are realistic and conducive to their career aspirations. In observing this program, I was able to appreciate how the students were placed in a situation similar to a job interview so that they could understand the practicalities and consequences of an interview.

On the day, I also met with Rhonda Boardman, who is coordinating these activities. Rhonda is hugely supportive of the interviews and was pleased with how well the students were adapting to them, and she also advised that the whole ethos of the school is focused on practical job-readiness skills. This school is ensuring that its students are well equipped to gain employment. I commend Rhonda and the Wadalba Community School for their efforts in preparing their students for the workforce, and I pass on my thanks to the staff and students for welcoming me to their school.

Workplace Relations

Ms BRODTMANN (Canberra) (10:13): I rise to speak about the Public Service pay negotiations that have been dragging on for more than 18 months, creating uncertainty and stress for the 150,000 public servants across Australia.
The negotiations have stalled due to the appalling deals being offered to public servants by the coalition government. The former employment minister, Eric Abetz, was offering public servants no more than a 1.5 per cent pay increase while at the same time trying to slash conditions, remove rights, diminish job security, increase hours, cut super protections, dilute redundancy provisions and reduce take-home pay. As a result, tens of thousands of public servants in large departments rejected these deals, resulting in industrial action across the country. We have seen public servants striking in our airports, at our seaports and at Centrelink offices, just to name a few.

Eric Abetz's hardline approach to bargaining was not at all productive and not at all conducive to coming to a constructive outcome. So when Senator Michaelia Cash was appointed the Public Service minister during the government reshuffle I was hopeful that there could be a breakthrough in the negotiations. We are talking about 18 months here. I was hopeful that Senator Cash would sit down with public servants and hear their concerns.

I have seen reports this morning that the government has decided to relax its tight and unfair limits on Public Service pay rises. I understand that agencies will now be able to offer wage increases of up to two per cent a year. But, given the government's track record on our proud servants of democracy to date, I will wait and see it. I am not holding my breath.

We need to keep this in perspective. This two per cent increase is against what is happening in the private sector. Across the private sector in the year to June, wages rose by an average of 2.2 per cent, and inflation is forecast to rise 2.5 per cent a year in the medium and long term.

Despite the fact that I will wait to see what happens with this two per cent offer, I do take heart from the fact that the government did reverse its unfair decision on a slash to ADF pay—an insulting offer to ADF pay; they were offered a 1.5 per cent increase and the government capitulated in the end after pressure from Labor and settled on two per cent.

During the last 18 months, tens of thousands of public servants have been without an agreement, meaning they have not been receiving any increase at all. Will these public servants be back paid? Reports today suggest that they will not; if not, why not? It has been two years since these people have had a pay rise.

I also understand the cost of the increase to two per cent will have to be met within existing departmental budgets, and this goes to the crux of the issue. Coalition governments have complete contempt for our public servants—our proud servants of democracy—and continually ask our departments to do more with less. The damage done to the Public Service by this government will take a decade or more to fix. (Time expired)

Australian Paper

Mr BROADBENT (McMillan) (10:16): I was about to come into this constituents statements debate today and read out the extensive list of achievements that have been part of my activities as the federal member for McMillan—and it is an extensive list. And then I saw this on my desk: it is just a bit of rubbish paper that was about to be thrown out after opening a ream of paper. It is a simple thing, opening a ream of paper. We do it in this building all the time. All over the building people pick up a ream of paper, rip it open and put it in the machine. But this means more to me than just a simple piece of rubbish that is about to be thrown out. This is Australian paper. This paper was made in Australia by the hands of
Australians, by the innovation of Australians, and it actually affects the lives of thousands of people in the electorates of Gippsland and McMillan and right across this nation. It is purchased by an international company and delivered to the parliament. But why is it special over and above the jobs that it provides to so many people? It is special because this is the most environmentally-friendly paper produced in the world. There is no other paper like it. It is special. This nation should be very proud every time we tear open one of these, because this is our paper. This paper is produced in sustainably managed forests out of plantation timber and native timber. This the cleanest paper environmentally in the world. We have a lot to be proud of as a nation with regard to this. Yet, sadly, many people in Australia choose the cheapest product rather than this Australian made paper which costs a little bit more.

We do not have the protections to protect us from paper being dumped on us from overseas without going through long and arduous programs. What we have here is something that enhances our environment and changes the lives of people in the community. What we need to do as a nation is to think: if you really care about the environment and if you really are troubled about what we buy, what we deliver, what we can do as a government, what we can do as a nation and what we can do as a household, think about buying Australian paper. We need to preserve this industry in perpetuity so that we have got the cleanest paper in the world, the cleanest jobs in the world and the greatest opportunities for our young people across Gippsland and McMillan. Buy Australian made paper.

Wakefield Electorate: 7th Battalion Royal Australian Regiment

Mr CHAMPION (Wakefield) (10:19): It was my great honour on 1 September 2015 to attend the 50th birthday of 7th Battalion, Royal Australian Regiment, at Horseshoe Lines at RAAF Base Edinburgh in my electorate. The 7th Battalion was raised on 1 September 1965 in Puckapunyal in Victoria with a cadre of nine officers commanded by the first commanding officer, Lieutenant Colonel Eric Smith. This was followed in October with the influx of 342 officers and soldiers from 3rd Battalion, Royal Australian Regiment, and subsequently populated by a tranche of national servicemen in December 1965.

We were most fortunate at the 50th birthday to have the Governor-General of the Commonwealth of Australia, His Excellency General the Hon. Sir Peter Cosgrove AK, MC (Retd) and Lady Cosgrove attend. His Excellency recounted his days in Vietnam and his association with 7th Battalion. Major General Mark Kelly AO DSC, Colonel Commandant of the Royal Australia Regiment and Repatriation Commissioner of the Department of Veterans' Affairs also attended, as did Brigadier Mick Ryan. From Defence SA, we had Mr Mike Callen.

One particularly important event at this ceremony was the consecration of the rose garden. It was my great honour to lay a poppy for Private David Milford, who was killed in action on 6 August 1967 during the battalion's tour of Vietnam in the Battle of Suoi Chau Pha in the Phuoc Tuy Province. He was a regular soldier who was born in Castlemaine in Victoria and was buried at Harcourt Cemetery in Victoria. He served in 7th Battalion from 8 April 1967 until his death on 6 August. It was a particularly poignant ceremony. There were many families there, and of course it is a very important part of 7th Battalion's history.

I would also like to thank Mr Mark Moloney and Warrant Officer Class Two John Lines MG, who lent their names to the Moloney-Lines Award for the best junior leader in 7th RAR. The inaugural winner was Corporal Eustratos Pantazis. I would also like to thank Urrbrae
Agricultural High School staff and students for their care in raising the battalion mascot, Willie the Pig.

As always, I was impressed with the professionalism of 7th Battalion and their great contribution to our Army, to our defence forces and to the nation. I know that they will always put their duty first.

Moore Electorate: West Coast Institute

Mr GOODENOUGH (Moore) (10:22): I formally recognise the important contribution made to our local economy by the vocational education and training sector within the Joondalup Learning Precinct and advocate for continued strong federal government support. Led by visionary managing director Michelle Hoad, the West Coast Institute is a leading organisation in Moore which delivers education and training to more than 8,800 students, based at four locations, providing the necessary skills training to boost employability and increase workforce productivity. Supported by a staff of more than 350 experienced academic and industry specialists, West Coast Institute delivers more than 120 internationally recognised vocational education and training programs, ranging from short skill-set courses through to nationally accredited programs ranging from certificates to associate degrees and also apprenticeships and traineeships.

West Coast Institute has established academies of excellence in a number of key specialty areas. The Academy of Health Sciences is a leading provider of specialised training in health science. It provides the necessary training to meet critical skill shortages across the broader health sector. The Trades North campus provides training programs in bricklaying, plastering, tiling, carpentry, joinery, engineering and electrical trades to more than 600 students, apprentices and existing tradespeople. The facilities include dedicated training workshops and open spaces integrating each trade into a real-world environment, ensuring students are exposed to different disciplines and learn to work collaboratively on projects.

The Academy of Hospitality and Culinary Arts offers a range of live training environments and partners with industry to make hospitality training as realistic as possible to prepare students for employment in the culinary and front-of-house service industries. The Academy of Digital Technologies has a reputation in excellence for delivering high-quality training and producing award winning graduates in a range of IT industries and digital media disciplines including animation, 3D modelling, the new field of augmented reality and computer generated imagery.

The institute has two other training directorates offering world-class programs in key disciplines. The Commerce and Technology Directorate has 11 key industry training areas. The Directorate of Health, Education and Social Sciences has moved to an enterprise-based delivery model to support the up-skilling of existing workers through traineeships, flexible delivery and skills recognition.

Diabetes

Ms BURKE (Chisholm) (10:25): Around 140,000 Australians suffer from type 1 diabetes. The cause of type 1 diabetes is unknown, there is no known method of prevention and there is no cure. Management of type 1 diabetes requires up to 20 finger pricks daily, constant balancing of carbohydrate intake and exercise with the management of insulin dosage. Added to this is the unpredictability of the many hormone fluctuations. Management of all these
factors is crucial as getting it wrong can be fatal. No parent or carer whose child is diagnosed with type 1 diabetes ever sleeps again with the door closed, and the thought of a night of unbroken sleep is just a dream.

I recently met with two of my constituents, Rachel Cambrey and her 14-year-old daughter Monique, who was diagnosed with type 1 diabetes just over three years ago. Rachel and Monique live with the constant stress and worry that careful management and monitoring of Monique's insulin brings; they both know that even the slightest lapse in attention can lead to serious negative consequences, including loss of vision, loss of limbs and organ failure. The difference between getting it right and wrong can mean life and death. It is an enormous source of anxiety for any young person and a nightmare scenario for any parent.

Terrifyingly, nocturnal hypoglycaemia is an ever present risk for people with type 1 diabetes—it is commonly referred to as dead in bed syndrome and it means that an otherwise healthy child who goes to bed with an acceptable glucose level becomes hypo in their sleep and never wakes up. The DANII Foundation was established after Danii Meads-Barlow tragically died this way. Many of us had the pleasure of meeting her phenomenal mother last night, and she is the driving force behind the DANII Foundation. Sadly, this could happen to Monique. The best possible prevention at this stage is new technology known as continuous glucose monitoring technology, or CGM. Monique was recently lucky enough to undertake a three-week trial of CGM. It was a life-changing moment for both her and her mother.

CGM is a non-invasive sensor which provides continuous glucose readings every five minutes both day and night, functioning like an artificial pancreas. An alarm indicates when the individual's glucose level is too high or too low, which is important to ensure the safety of the diabetic individual at night time when monitoring is extremely difficult. CGM is operational at a distance of six metres, which allows parents and carers to closely monitor blood glucose levels while simultaneously being able to go about their daily activities as well as not having to disturb the child during their activities.

There is currently no government subsidy for CGM, and it costs around $5,000 per year for consumables. Thus far the Minister for Health has not agreed to bring CGM into the National Diabetes Services Scheme. The difference between being able to afford this technology and not can mean the difference between life and death. I urge the minister and the government to consider a full cost-benefit analysis of CGM technology. I am confident that a proper study will find that subsidising this technology will not only prove more efficient on the individual patient level but also lead to bigger saving across the health system as hospital presentation due to type 1 diabetes complications are significantly reduced by widespread take-up of CGM. Technology is the way that we can deal with many of these issues, and this matter needs to be addressed. (Time expired)

Solomon Electorate: Mr Kevin Kadrigamar

Mrs GRIGGS (Solomon) (10:29): Tomorrow night being 22 October, the National Golden Gavel and Australian Young Lawyer awards night will be held in Melbourne. I am delighted to advise the House that an amazing young lawyer from my electorate will be the 2015 recipient of the Law Council of Australia's prestigious national Young Lawyer of the Year award. I place on record my absolute congratulations to the incredible Kevin Kadrigamar.
I have had the pleasure of working with Kevin on a number of local immigration issues. He is a remarkable young man, and I am very, very proud of his achievements. So too are his colleagues from local law firm Ward Keller. One of the managing partners, Leon Loganathan, told me how he was also very proud of Kevin. He said what an honour it is for Kevin to receive this award, given the small jurisdiction that we live in but also the competitiveness of this award. He noted that Kevin has done some amazing things for the Northern Territory, and I certainly have to agree with that.

I know Kevin to be a compassionate and genuine young man who is realistic, and he does not shy away from a challenge. As I have stated many times in this place, Darwin is a very, very multicultural community, and Kevin is a very important part of the success of our multicultural community. His impressive qualifications and achievements do not stop solely with law but can be seen through his leadership throughout the Darwin multicultural community. Kevin helped establish a youth led organisation called Multicultural Youth NT, which gives young people from all backgrounds a chance to integrate into our great Territory community. MyNT, as it is called, empowers young people. Its motto reads: 'Make your ideas reality!'

Kevin also sits on a number of boards. These include the Australia Day Council and the Northern Territory Council for Human Rights Education, and he does that as the public officer. He also sits on the Youth Justice Advisory Committee and Neighbourhood Watch NT.

In my mind, there is no doubt that Kevin is beyond deserving of this highly competitive Young Lawyer of the Year award. He is an asset to the Territory and to the practice of law. I would like to once again congratulate Kevin on this tremendous achievement. He is doing the Territory proud. I look forward to continuing working with him and hearing of all the great contributions that he continues to make throughout the Top End's youth and multicultural communities. Well done, Kevin. We are so proud, and I hope that I have not let the cat out of the bag by making this announcement here today.

The DEPUTY SPEAKER (Ms Price): In accordance with standing order 193, the time for members' constituency statements has concluded.

Federation Chamber adjourned at 10:33.
Mr Conroy asked the Minister for Infrastructure and Regional Development, in writing, on 17 August 2015:

In 2014-15, (a) what sum was spent on training for departmental staff, (b) on what date(s), and at what location(s), did the training occur, and (c) what outcomes were achieved.

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

<table>
<thead>
<tr>
<th>Topic</th>
<th>Expenditure</th>
<th>Date</th>
<th>Location</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coaching</td>
<td>$36,881</td>
<td>Various</td>
<td>Various</td>
<td>One on one and group coaching to assist participants address specific career challenges and develop capabilities.</td>
</tr>
<tr>
<td>Leadership</td>
<td>$251,158</td>
<td>Various</td>
<td>Various</td>
<td>Skills and knowledge relating to leadership development; leading change, future thinking, talent development.</td>
</tr>
<tr>
<td>Management</td>
<td>$127,798</td>
<td>Various</td>
<td>Various</td>
<td>Skills, knowledge and capability development across a range of subjects including: Project management People management Performance management Team productivity BULLET Change management.</td>
</tr>
<tr>
<td>Core Skills</td>
<td>$135,623</td>
<td>Various</td>
<td>Various</td>
<td>Skills, knowledge and capability development across a range of subjects including: Budgets Business planning and execution Managing and conducting evaluations Procurement Strategic thinking Cost benefit analysis BULLET Project management.</td>
</tr>
<tr>
<td>Policy, Regulatory &amp; Program Management</td>
<td>$125,836</td>
<td>Various</td>
<td>Various</td>
<td>Skills, knowledge and capability development across a range of subjects including: Legislation Legal frameworks BULLET Policy development.</td>
</tr>
<tr>
<td>Communications</td>
<td>$78,521</td>
<td>Various</td>
<td>Departmental premises</td>
<td>Skills, knowledge and capability development across a range of subjects including: Communicating effectively</td>
</tr>
</tbody>
</table>
Department of Infrastructure and Regional Development: Departmental Media Events
(Question No. 1327)

Mr Conroy asked the Minister for Infrastructure and Regional Development, in writing, on 17 August 2015:

In respect of departmental costs for media events and photo opportunities in 2014-15, what (a) date was each event held, (b) location was each event held at, (c) sum was spent on each event, (d) announcement and/or issue did the event relate to, and (e) was the expenditure for.

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

The Department spent $3,225 (GST excl) on materials that related to event opportunities in 2014-15.

South Australia – Printed 3 x A1 maps for the following projects: Adelaide North-South Corridor, South Road Upgrade and Darlington and Torrens Road to River Torrens $157
Queensland – Printed 3 x A1 maps for the following projects: Bruce Highway Vantassel to Cluden, Calliope Crossroads and Yeppen Flood Plain $157
New South Wales – Printed 6 x A1 maps for NSW Roads $275
South Australia – Bald Hills Interchange Banner $338
New South Wales – Board of West Connex $166
Purchase and printing of hard hats and vest x 40 $1,960
Printed 1 x A1 map, Northern Australia Transport Infrastructure Projects $172

Department of Infrastructure and Regional Development: Department Conferences
(Question No. 1379)

Mr Conroy asked the Minister for Infrastructure and Regional Development, in writing, on 17 August 2015:

Did the Minister's department host any conferences in 2014-15; if so (a) on what date(s) did each conference occur, and at what location(s), (b) what total sum was spent on each conference, and of this, what sum was spent on (i) meals and accommodation, and what are the details, (ii) travel, and what are the details, and (iii) social events, and what are the details, (iv) travel, and what are the details, and (c) what outcomes were achieved at each conference.
Mr Truss: The answer to the honourable member's question is as follows:

2014 Community Aviation Consultation Group (CACG) Chairs Forum:
(a) 23 to 25 September 2014, held in the Department's meeting room.
(b) $18,800 of which:
   (i) $10,036 for meals and accommodation (including morning tea, lunch and afternoon tea at the conference, breakfast for those travelling from interstate and two dinners);
   (ii) $8,764 for interstate travel for most of the CACG Chairs;
   (iii) Nil for social events;
   (iv) See (ii) above.
(c) CACGs are an initiative which strengthen links and enable consultation between leased federal airport operators and their local communities. There are 19 CACGs across Australia, 17 of which are independently chaired. The annual CACG Chairs Forum provides an opportunity for the Chairs of these groups to discuss the structure and operation of their respective groups, to hear about current policy directions and to network with their peers. The forum also contributes to the personal development of the Chairs through the networking and information sessions delivered during the two-day forum.

Department of Employment: Departmental Hospitality
(Question No. 1433)

Mr Conroy asked the Minister representing the Minister for Employment, in writing, on 17 August 2015:

In respect of catering and hospitality by the Minister's department in 2014–15, (a) what total sum was spent, (b) for what functions was the catering and hospitality, (c) on what date(s) did each function occur, and at what location(s), and (d) for each function, what sum was spent on (i) meals, (ii) drinks, (iii) hospitality staff, and (iv) other costs.

Mr Pyne: The Minister for Employment has authorised the following answer to the honourable member's question, as provided by her predecessor:

Total hospitality expenditure (excluding GST) for the Department of Employment for the period 1 July 2014 to 30 June 2015 was $26,804.13.

Please refer to the table attached for a breakdown of events with a cost exceeding $1,000. Events costing less than $1,000 are grouped together as to provide details for each item of expenditure would require an unreasonable diversion of departmental resources.

<table>
<thead>
<tr>
<th>Event date</th>
<th>Location</th>
<th>Purpose</th>
<th>Cost ($) (Ex GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>22 July 2014</td>
<td>Queensland Art Gallery, Stanley Place, South Brisbane QLD</td>
<td>G20 - Dinner for 80 delegates for Taskforce for Employment delegates</td>
<td>8,057.85</td>
</tr>
<tr>
<td>24 July 2014</td>
<td>Lone Pine Koala Sanctuary, 708 Jesmond Rd, Fig Tree Pocket QLD</td>
<td>G20 – lunch and cultural experience for Taskforce for Employment delegates</td>
<td>5,163.64</td>
</tr>
<tr>
<td>9 September 2014</td>
<td>Melbourne Cricket Ground, Brunton Ave, Richmond VIC</td>
<td>G20 - Labour and Employment Ministerial meeting welcome function</td>
<td>1,818.18</td>
</tr>
<tr>
<td>10 September 2014</td>
<td>The Dome, 333 Collins St, Melbourne VIC</td>
<td>Catering for Labour and Employment Ministerial meeting Dinner</td>
<td>8,815.68</td>
</tr>
</tbody>
</table>
Department of Education and Training: Parent Engagement Campaign
(Question No. 1536)

Mr Conroy asked the Minister representing the Minister for Education and Training, in writing, on 15 September 2015:

In respect of the $138,532.00 tender to Wallis Consulting Pty Ltd for 'Benchmark, tracking and evaluation research. Parent engagement campaign' (CN3290056), (a) to which policy and/or initiative does this relate, and (b) what are the aims of this research.

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

The Government committed $5 million dollars in the 2015−16 Budget for a Parent Engagement Campaign to raise awareness of, and provide support for, positive parent involvement in children's learning.

Consistent with the Guidelines on Information Advertising Campaigns by non-corporate Commonwealth entities, the department engaged Wallis Consulting Pty Ltd to provide market research services with the purpose of monitoring and evaluating the impact of the Parent Engagement campaign.