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<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>8, 9, 10, 21, 22, 23, 24, 28</td>
</tr>
<tr>
<td>March</td>
<td>1, 2, 3, 21, 22, 23, 24</td>
</tr>
<tr>
<td>May</td>
<td>10, 11, 12, 23, 24, 25, 26, 30, 31</td>
</tr>
<tr>
<td>June</td>
<td>1, 2, 14, 15, 16, 20, 21, 22, 23</td>
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<tr>
<td>July</td>
<td>4, 5, 6, 7</td>
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<tr>
<td>August</td>
<td>16, 17, 18, 22, 23, 24, 25</td>
</tr>
<tr>
<td>September</td>
<td>12, 13, 14, 15, 19, 20, 21, 22</td>
</tr>
<tr>
<td>October</td>
<td>11, 12, 13, 31</td>
</tr>
<tr>
<td>November</td>
<td>1, 2, 3, 21, 22, 23, 24</td>
</tr>
</tbody>
</table>

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FORTY-THIRD PARLIAMENT
FIRST SESSION—THIRD PERIOD

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

House of Representatives Officeholders
Speaker—Mr Harry Alfred Jenkins MP
Deputy Speaker—Hon. Peter Neil Slipper MP
Second Deputy Speaker—Hon. Bruce Craig Scott MP

Members of the Speaker’s Panel—Ms Anna Elizabeth Burke MP, Hon. Dick Godfrey Harry Adams MP, Ms Sharon Leah Bird MP, Mrs Yvette Maree D’Ath MP, Mr Steven Georganas MP, Ms Kirsten Fiona Livermore MP, Mr John Paul Murphy MP, Mr Peter Sid Sidebottom MP, Mr Kelvin John Thomson MP, Ms Maria Vamvakinou MP

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

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

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

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

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<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abbott, Hon. Anthony John</td>
<td>Warringah, NSW</td>
<td>LP</td>
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<td>Adams, Hon. Dick Godfrey Harry</td>
<td>Lyons, TAS</td>
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<td>Andrews, Karen Lesley</td>
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<td>Paterson, NSW</td>
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<td>Melbourne, VIC</td>
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<td>Canberra, ACT</td>
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<td>Combat, Hon. Greg Ivan, AM</td>
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<td>Coulton, Mark Maclean</td>
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<td>O'Connor, WA</td>
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<td>Petrie, QLD</td>
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<td>Dickson, QLD</td>
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<td>Elliot, Hon. Maria Justine</td>
<td>Richmond, NSW</td>
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<td>Ellis, Hon. Katherine Margaret</td>
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<td>Emerson, Hon. Craig Anthony</td>
<td>Rankin, QLD</td>
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<td>Batman, VIC</td>
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<td>Hunter, NSW</td>
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<td>Forrest, John Alexander</td>
<td>Mallee, VIC</td>
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<td>Frydenberg, Joshua Anthony</td>
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<td>Members</td>
<td>Division</td>
<td>Party</td>
</tr>
<tr>
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<td>--------------------</td>
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<td>Kingsford Smith, NSW</td>
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<td>Gilmore, NSW</td>
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<td>Georganas, Steve</td>
<td>Hindmarsh, SA</td>
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<td>Bendigo, VIC</td>
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<td>Lalor, VIC</td>
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<td>Brand, WA</td>
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<td>Newcastle, NSW</td>
<td>ALP</td>
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<td>Griggs, Natasha Louise</td>
<td>Solomon, NT</td>
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<td>Durack, WA</td>
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<td>Hall, Jill</td>
<td>Shortland, NSW</td>
<td>ALP</td>
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<td>Cowper, NSW</td>
<td>Nats</td>
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<td>Hawke, Alexander George</td>
<td>Mitchell, NSW</td>
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<td>Hayes, Christopher Patrick</td>
<td>Fowler, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Hockey, Hon. Joseph Benedict</td>
<td>North Sydney, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Hunt, Hon. Gregory Andrew</td>
<td>Flinders, VIC</td>
<td>LP</td>
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<tr>
<td>Husic, Edham Niveredin</td>
<td>Chifley, NSW</td>
<td>ALP</td>
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<td>Swan, WA</td>
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<td>Scullin, VIC</td>
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<td>Tangney, WA</td>
<td>LP</td>
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<td>Throsby, NSW</td>
<td>ALP</td>
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<td>Jones, Ewen Thomas</td>
<td>Herbert, QLD</td>
<td>LP</td>
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<td>Kennedy, QLD</td>
<td>Ind</td>
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<tr>
<td>Keenan, Michael Fayat</td>
<td>Stirling, WA</td>
<td>LP</td>
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<td>Eden-Monaro, NSW</td>
<td>ALP</td>
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<td>King, Hon. Catherine Fiona</td>
<td>Ballarat, VIC</td>
<td>ALP</td>
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<td>Laming, Andrew Charles</td>
<td>Bowman, QLD</td>
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<td>Leigh, Andrew Keith</td>
<td>Fraser, ACT</td>
<td>ALP</td>
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<td>Ley, Hon. Sussan Penelope</td>
<td>Farrer, NSW</td>
<td>LP</td>
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<td>Livermore, Kirsten Fiona</td>
<td>Capricornia, QLD</td>
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<td>Bass, TAS</td>
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<td>ALP</td>
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<td>Jagajaga, VIC</td>
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<td>Forrest, WA</td>
<td>LP</td>
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<td>Macquarie, NSW</td>
<td>LP</td>
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<td>Corio, VIC</td>
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<td>Macarthur, NSW</td>
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<td>ALP</td>
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<tr>
<td>Members</td>
<td>Division</td>
<td>Party</td>
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<td>Ind</td>
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<td>Gorton, VIC</td>
<td>ALP</td>
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<td>Flynn, QLD</td>
<td>Nats</td>
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<td>Higgins, VIC</td>
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<td>Robertson, NSW</td>
<td>ALP</td>
</tr>
<tr>
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<td>Fremantle, WA</td>
<td>ALP</td>
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<td>Perrett, Graham Douglas</td>
<td>Moreton, QLD</td>
<td>ALP</td>
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<td>Sydney, NSW</td>
<td>ALP</td>
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<td>Ryan, QLD</td>
<td>LP</td>
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<tr>
<td>Pyne, Hon. Christopher Maurice</td>
<td>Sturt, SA</td>
<td>LP</td>
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<td>Grey, SA</td>
<td>LP</td>
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<td>Canning, WA</td>
<td>LP</td>
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<td>Berowra, NSW</td>
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<td>Hume, NSW</td>
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<td>Boothby, SA</td>
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<td>ALP</td>
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<td>Van Manen, Albertus Johannes</td>
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<td>LP</td>
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</table>
### Members of the House of Representatives

<table>
<thead>
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<th>Division</th>
<th>Party</th>
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<td>Washer, Malcom James</td>
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<td>Denison, TAS</td>
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<td>Wyatt, Kenneth George</td>
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<td>Zappia, Tony</td>
<td>Makin, SA</td>
<td>ALP</td>
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</table>

**PARTY ABBREVIATIONS**

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

### Heads of Parliamentary Departments

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

Prime Minister

Hon. Julia Gillard MP

Deputy Prime Minister, Treasurer

Hon. Wayne Swan MP

Minister for Regional Australia, Regional Development and Local Government

Hon. Simon Crean MP

Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate

Senator Hon. Chris Evans

Minister for School Education, Early Childhood and Youth

Hon. Peter Garrett AM, MP

Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate

Senator Hon. Stephen Conroy

Minister for Foreign Affairs

Hon. Kevin Rudd MP

Minister for Trade

Hon. Dr Craig Emerson MP

Minister for Defence and Deputy Leader of the House

Hon. Stephen Smith MP

Minister for Immigration and Citizenship

Hon. Chris Bowen MP

Minister for Infrastructure and Transport and Leader of the House

Hon. Anthony Albanese MP

Minister for Health and Ageing

Hon. Nicola Roxon MP

Minister for Families, Housing, Community Services and Indigenous Affairs

Hon. Jenny Macklin MP

Minister for Sustainability, Environment, Water, Population and Communities

Hon. Tony Burke MP

Minister for Finance and Deregulation

Senator Hon. Penny Wong

Minister for Innovation, Industry, Science and Research

Senator Hon. Kim Carr

Attorney-General and Vice President of the Executive Council

Hon. Robert McClelland MP

Minister for Agriculture, Fisheries and Forestry and Manager of Government Business in the Senate

Senator Hon. Joe Ludwig

Minister for Resources and Energy and Minister for Tourism

Hon. Martin Ferguson AM, MP

Minister for Climate Change and Energy Efficiency

Hon. Greg Combet AM, MP

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

<table>
<thead>
<tr>
<th>Role</th>
<th>Minister</th>
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<tbody>
<tr>
<td>Minister for the Arts</td>
<td>Hon. Simon Crean MP</td>
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<tr>
<td>Minister for Social Inclusion</td>
<td>Hon. Tanya Plibersek MP</td>
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<tr>
<td>Minister for Privacy and Freedom of Information</td>
<td>Hon. Brendan O'Connor MP</td>
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<tr>
<td>Minister for Sport</td>
<td>Senator Hon. Mark Arbib</td>
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<tr>
<td>Special Minister of State for the Public Service and Integrity</td>
<td>Hon. Gary Gray AO, MP</td>
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<tr>
<td>Assistant Treasurer and Minister for Financial Services and Superannuation</td>
<td>Hon. Bill Shorten MP</td>
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<tr>
<td>Minister for Employment Participation and Childcare</td>
<td>Hon. Kate Ellis MP</td>
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<tr>
<td>Minister for Indigenous Employment and Economic Development</td>
<td>Senator Hon. Mark Arbib</td>
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<tr>
<td>Minister for Veterans’ Affairs and Minister for Defence Science and Personnel</td>
<td>Hon. Warren Snowdon MP</td>
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<td>Hon. Jason Clare MP</td>
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<td>Senator Hon. Nick Sherry</td>
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<tr>
<td>Minister for Home Affairs and Minister for Justice</td>
<td>Hon. Brendan O'Connor MP</td>
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<tr>
<td>Minister for Human Services</td>
<td>Hon. Tanya Plibersek MP</td>
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<tr>
<td>Cabinet Secretary</td>
<td>Hon. Mark Dreyfus QC, MP</td>
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<td>Parliamentary Secretary to the Prime Minister</td>
<td>Senator Hon. Kate Lundy</td>
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<td>Parliamentary Secretary to the Treasurer</td>
<td>Hon. David Bradbury MP</td>
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<td>Parliamentary Secretary for School Education and Workplace Relations</td>
<td>Senator Hon. Jacinta Collins</td>
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<tr>
<td>Minister Assisting the Prime Minister on Digital Productivity</td>
<td>Senator Hon. Stephen Conroy</td>
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<tr>
<td>Parliamentary Secretary for Trade</td>
<td>Hon. Justine Elliot MP</td>
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<td>Parliamentary Secretary for Pacific Island Affairs</td>
<td>Hon. Richard Marles MP</td>
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<td>Parliamentary Secretary for Defence</td>
<td>Senator Hon. David Feeney</td>
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<td>Parliamentary Secretary for Immigration and Multicultural Affairs</td>
<td>Senator Hon. Kate Lundy</td>
</tr>
<tr>
<td>Parliamentary Secretary for Infrastructure and Transport and Parliamentary Secretary for Health and Ageing</td>
<td>Hon. Catherine King MP</td>
</tr>
<tr>
<td>Parliamentary Secretary for Disabilities and Carers</td>
<td>Senator Hon. Jan McLucas</td>
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<td>Parliamentary Secretary for Community Services</td>
<td>Hon. Julie Collins MP</td>
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<td>Parliamentary Secretary for Sustainability and Urban Water</td>
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<tr>
<td>Minister Assisting on Deregulation and Public Sector Superannuation</td>
<td>Senator Hon. Nick Sherry</td>
</tr>
<tr>
<td>Minister Assisting the Attorney-General on Queensland Floods Recovery</td>
<td>Senator Hon. Joe Ludwig</td>
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<tr>
<td>Parliamentary Secretary for Agriculture, Fisheries and Forestry</td>
<td>Hon. Dr Mike Kelly AM, MP</td>
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<tr>
<td>Minister Assisting the Minister for Tourism</td>
<td>Senator Hon. Nick Sherry</td>
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<tr>
<td>Parliamentary Secretary for Climate Change and Energy Efficiency</td>
<td>Hon. Mark Dreyfus QC, MP</td>
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<td>Position</td>
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<tr>
<td>Leader of the Opposition</td>
<td>Hon. Tony Abbott MP</td>
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<tr>
<td>Deputy Leader of the Opposition and Shadow Minister for Foreign Affairs and Shadow Minister for Trade</td>
<td>Hon. Julie Bishop MP</td>
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<tr>
<td>Leader of the Nationals and Shadow Minister for Infrastructure and Transport</td>
<td>Hon. Warren Truss MP</td>
</tr>
<tr>
<td>Leader of the Opposition in the Senate and Shadow Minister for Employment and Workplace Relations</td>
<td>Senator Hon. Eric Abetz</td>
</tr>
<tr>
<td>Deputy Leader of the Opposition in the Senate and Shadow Attorney-General and Shadow Minister for the Arts</td>
<td>Senator Hon. George Brandis SC</td>
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<tr>
<td>Shadow Treasurer</td>
<td>Hon. Joe Hockey MP</td>
</tr>
<tr>
<td>Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House</td>
<td>Hon. Christopher Pyne MP</td>
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<tr>
<td>Shadow Minister for Indigenous Affairs and Deputy Leader of the Nationals</td>
<td>Senator Hon. Nigel Scullion</td>
</tr>
<tr>
<td>Shadow Minister for Regional Development, Local Government and Water and Leader of the Nationals in the Senate</td>
<td>Senator Barnaby Joyce</td>
</tr>
<tr>
<td>Shadow Minister for Finance, Deregulation and Debt Reduction and Chairman, Coalition Policy Development Committee</td>
<td>Hon. Andrew Robb AO, MP</td>
</tr>
<tr>
<td>Shadow Minister for Energy and Resources</td>
<td>Hon. Ian Macfarlane MP</td>
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<tr>
<td>Shadow Minister for Defence</td>
<td>Senator Hon. David Johnston</td>
</tr>
<tr>
<td>Shadow Minister for Communications and Broadband</td>
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<tr>
<td>Shadow Minister for Health and Ageing</td>
<td>Hon. Peter Dutton MP</td>
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<tr>
<td>Shadow Minister for Families, Housing and Human Services</td>
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</tr>
<tr>
<td>Shadow Minister for Climate Action, Environment and Heritage</td>
<td>Hon. Greg Hunt MP</td>
</tr>
<tr>
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<td>Mr Scott Morrison MP</td>
</tr>
<tr>
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<td>Mrs Sophie Mirabella MP</td>
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<td>Shadow Minister for Agriculture and Food Security</td>
<td>Hon. John Cobb MP</td>
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<tr>
<td>Shadow Minister for Small Business, Competition Policy and Consumer Affairs</td>
<td>Hon. Bruce Billson MP</td>
</tr>
</tbody>
</table>

[The above constitute the shadow cabinet]
<table>
<thead>
<tr>
<th>Position</th>
<th>Shadow Minister</th>
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<tbody>
<tr>
<td>Shadow Minister for Employment Participation</td>
<td>Hon. Sussan Ley</td>
<td>MP</td>
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<td>Shadow Minister for Justice, Customs and Border Protection</td>
<td>Mr Michael Keenan</td>
<td>MP</td>
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<tr>
<td>Shadow Assistant Treasurer and Shadow Minister for Financial Services</td>
<td>Senator Mathias Cormann</td>
<td>and Superannuation</td>
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<td>Shadow Minister for Childcare and Early Childhood Learning</td>
<td>Hon. Sussan Ley</td>
<td>MP</td>
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<tr>
<td>Shadow Minister for Universities and Research</td>
<td>Senator Hon. Brett Mason</td>
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<tr>
<td>Shadow Minister for Youth and Sport and Deputy Manager of Opposition</td>
<td>Mr Luke Hartsuyker</td>
<td>MP</td>
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<td>Business in the House</td>
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<tr>
<td>Shadow Minister for Indigenous Development and Employment</td>
<td>Senator Marise Payne</td>
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<td>Shadow Minister for Regional Development</td>
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<td>MP</td>
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<td>Shadow Special Minister of State</td>
<td>Hon. Bronwyn Bishop</td>
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<td>Senator Marise Payne</td>
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<td>Hon. Bob Baldwin</td>
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<tr>
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<td>Mr Stuart Robert</td>
<td>MP</td>
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<td>Senator Hon. Michael Ronaldson</td>
<td>Assisting the Leader of the Opposition on the Centenary of ANZAC</td>
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<tr>
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<td>Mr Luke Hartsuyker</td>
<td>MP</td>
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<td>Senator Concetta Fierravanti-Wells</td>
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<td>Shadow Minister for Seniors</td>
<td>Hon. Bronwyn Bishop</td>
<td>MP</td>
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<td>Shadow Minister for Disabilities, Carers and the Voluntary Sector</td>
<td>Senator Mitch Fifield</td>
<td>Manager of Opposition Business in the Senate</td>
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<td>Shadow Minister for Housing</td>
<td>Senator Marise Payne</td>
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<tr>
<td>Chairman, Scrutiny of Government Waste Committee</td>
<td>Mr Jamie Briggs MP</td>
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<tr>
<td>Shadow Cabinet Secretary</td>
<td>Hon. Philip Ruddock</td>
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<td>Senator Cory Bernardi</td>
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<td>Hon. Teresa Gambaro</td>
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<td>Mr Darren Chester</td>
<td>MP</td>
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<td>Coalition Policy Development Committee</td>
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<td>Shadow Parliamentary Secretary for the Defence Force and Defence Support</td>
<td>Senator Gary Humphries</td>
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<td>Senator Hon. Ian Macdonald</td>
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</tbody>
</table>
Shadow Parliamentary Secretary for Primary Healthcare  Dr Andrew Southcott MP
Shadow Parliamentary Secretary for Regional Health Services and Indigenous Health  Mr Andrew Laming MP
Shadow Parliamentary Secretary for Supporting Families  Senator Cory Bernardi
Shadow Parliamentary Secretary for the Status of Women  Senator Michaelia Cash
Shadow Parliamentary Secretary for Environment  Senator Simon Birmingham
Shadow Parliamentary Secretary for Citizenship and Settlement  Hon. Teresa Gambaro MP
Shadow Parliamentary Secretary for Immigration  Senator Michaelia Cash
Shadow Parliamentary Secretary for Innovation, Industry, and Science  Senator Hon. Richard Colbeck
Shadow Parliamentary Secretary for Fisheries and Forestry  Senator Hon. Richard Colbeck
Shadow Parliamentary Secretary for Small Business and Fair Competition  Senator Scott Ryan
CONTENTS

WEDNESDAY, 22 JUNE 2011

Chamber
PRIVILEGE .................................................................................................................. 6821
BILLS—
  Schools Assistance Amendment Bill 2011—
   First Reading ................................................................. 6821
   Second Reading ............................................................. 6821
  Cybercrime Legislation Amendment Bill 2011—
   First Reading ................................................................. 6822
   Second Reading ............................................................. 6822
  Tax Laws Amendment (2011 Measures No. 6) Bill 2011—
   First Reading ................................................................. 6825
   Second Reading ............................................................. 6825
  Family Assistance and Other Legislation Amendment Bill 2011—
   Second Reading ............................................................. 6826
   Consideration in Detail ...................................................... 6838
   Third Reading ................................................................. 6845
  Tertiary Education Quality and Standards Agency Bill 2011—
   Second Reading ............................................................. 6845
  Tertiary Education Quality and Standards Agency (Consequential Amendments and
   Transitional Provisions) Bill 2011—
   Second Reading ............................................................. 6847
  Tertiary Education Quality and Standards Agency Bill 2011—
   Second Reading ............................................................. 6848
   Third Reading ................................................................. 6858
  Tertiary Education Quality and Standards Agency (Consequential Amendments and
   Transitional Provisions) Bill 2011—
   Second Reading ............................................................. 6858
   Third Reading ................................................................. 6858
  National Consumer Credit Protection Amendment (Home Loans and Credit Cards) Bill
   2011—
   Second Reading ............................................................. 6858
   Consideration in Detail ...................................................... 6877
   Third Reading ................................................................. 6883
  Military Justice (Interim Measures) Amendment Bill 2011—
   Second Reading ............................................................. 6883
STATEMENTS BY MEMBERS—
  Boyd-Turner, Ms Jan ......................................................... 6886
  Tasmanian Football ......................................................... 6886
  Pacific Seasonal Worker Pilot Scheme .................................... 6886
  Syria ............................................................................... 6887
  Live Animal Exports ......................................................... 6887
  Military Working Dogs ....................................................... 6888
  Barker, Mr Michael .......................................................... 6888
  Road Transport Industry ...................................................... 6889
  Kerr, Mr Graham .............................................................. 6889
CONTENTS—continued

St George Illawarra Dragons.......................................................... 6889

CONDOLENCES—
   Jones, Lance Corporal Andrew Gordon—
   Case, Lieutenant Marcus Sean—
   Report from Main Committee .................................................. 6890

QUESTIONS WITHOUT NOTICE—
   Occupational Health and Safety ............................................. 6890
   Economy ............................................................................. 6891
   Foreign Affairs ..................................................................... 6893
   Budget ............................................................................. 6894
   Carbon Pricing ..................................................................... 6895
   Asylum Seekers .................................................................... 6896
   Carbon Pricing ..................................................................... 6897
   Workplace Relations .............................................................. 6898
   Carbon Pricing ..................................................................... 6899
   Native Title ......................................................................... 6899
   Paid Parental Leave ............................................................... 6901
   Carbon Pricing ..................................................................... 6902
   Health .............................................................................. 6903
   Asylum Seekers .................................................................... 6904
   Australian Natural Disasters ................................................... 6904
   Asylum Seekers .................................................................... 6905
   Education ........................................................................... 6906
   Border Protection ................................................................... 6907
   Australia New Zealand Closer Economic Relations Trade Agreement .... 6907

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS—
   Occupational Health and Safety ............................................. 6908

PERSONAL EXPLANATIONS............................................................. 6909

MOTIONS—
   National Rugby League .......................................................... 6909

AUDITOR-GENERAL’S REPORTS—
   Reports Nos 52 and 53 of 2010-11 ........................................... 6910

COMMITTEES—
   Selection Committee—
     Report ........................................................................... 6910

DOCUMENTS—
   Presentation ......................................................................... 6917

MATTERS OF PUBLIC IMPORTANCE—
   Asylum Seekers ..................................................................... 6917

MINISTERIAL STATEMENTS—
   Superannuation .................................................................... 6935

MOTIONS—
   Health Insurance (Extended Medicare Safety Net) Amendment Determination 2011 .... 6942
   Health Insurance (Extended Medicare Safety Net—Telehealth) Amendment Determination 2011 ................................................................. 6942
CONTENTS—continued

Health Insurance (Extended Medicare Safety Net) Amendment Determination 2011 (No. 2)
.............................................................................................................................................. 6942

BILLS—
Inspector-General of Intelligence and Security Amendment Bill 2011—
Report from Main Committee ............................................................................................... 6942
Third Reading .......................................................................................................................... 6942
Product Stewardship Bill 2011—
Report from Main Committee ............................................................................................... 6943
Third Reading .......................................................................................................................... 6943
Combating the Financing of People Smuggling and Other Measures Bill 2011—
Consideration of Senate Message.......................................................................................... 6943
Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy
(Collection) Bill 2011—
Consideration of Senate Message........................................................................................ 6944
Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy
(Consequential Amendments) Bill 2011—
Consideration of Senate Message........................................................................................ 6945
Therapeutic Goods Amendment (2011 Measures No. 1) Bill 2011—
Aged Care Amendment Bill 2011—
Customs Amendment (Export Controls and Other Measures) Bill 2011—
Customs Tariff Amendment (2012 Harmonized System Changes) Bill 2011—
Military Rehabilitation and Compensation Amendment (MRCA Supplement) Bill 2011—
Returned from Senate ........................................................................................................... 6946
Customs Amendment (Serious Drugs Detection) Bill 2011—
Consideration of Senate Message........................................................................................ 6946
Families, Housing, Community Services and Indigenous Affairs and Other Legislation
Amendment (Further Election Commitments and Other Measures) Bill 2011—
Consideration of Senate Message........................................................................................ 6946
Higher Education Support Amendment (No. 1) Bill 2011—
Report from Main Committee ............................................................................................... 6948
Third Reading .......................................................................................................................... 6948
Indigenous Education (Targeted Assistance) Amendment Bill 2011—
Protection of the Sea (Prevention of Pollution from Ships) Amendment (Oil Transfers) Bill
2011—
Reference to Main Committee ............................................................................................ 6948
COMMITTEES—
Economics Committee—
Report ..................................................................................................................................... 6948

BILLS—
Military Justice (Interim Measures) Amendment Bill 2011—
Second Reading ....................................................................................................................... 6951
Third Reading .......................................................................................................................... 6959
Mutual Assistance in Criminal Matters Amendment (Registration of Foreign Proceeds of
Crime Orders) Bill 2011—
Second Reading ...................................................................................................................... 6960
ADJOURNMENT—
Foreign Investment........................................................................................................ 6968
Mining.............................................................................................................................. 6969
Valedictory...................................................................................................................... 6970
Disability........................................................................................................................ 6971
Kids of Macarthur Health Foundation.......................................................................... 6973
Macartney, Ms Tess...................................................................................................... 6974
Atkin, Ms Anne............................................................................................................. 6974
National Broadband Network....................................................................................... 6976
International Development Assistance........................................................................ 6977
Minister for Foreign Affairs.......................................................................................... 6979
Moreton Electorate: Muslim Community....................................................................... 6980
High-Speed Rail............................................................................................................. 6981
Lyne Electorate: Floods................................................................................................. 6983
NOTICES ....................................................................................................................... 6984
Main Committee
CONSTITUENCY STATEMENTS—
Cowper Electorate: Floods........................................................................................... 6985
Rotary Club of West Torrens......................................................................................... 6985
Latrobe Valley Airport................................................................................................... 6986
Primary Industry Centre for Science Education.......................................................... 6987
Taylor, Mr John............................................................................................................. 6988
Robertson Electorate: Five Lands Walk....................................................................... 6988
Egypt.............................................................................................................................. 6990
Shortland Electorate: Youth at Risk Program............................................................... 6990
Longman Electorate: Shekinah Centre.......................................................................... 6991
Lindsay Electorate: St Mary's Public School................................................................. 6992
BILLS—
Product Stewardship Bill 2011—
Second Reading........................................................................................................... 6993
Higher Education Support Amendment (No. 1) Bill 2011—
Second Reading........................................................................................................... 7001
CONDOLENCES—
Robinson, Sapper Rowan Jaie.................................................................................... 7041
Questions In Writing
After-Hours Medical Services—(Question No. 120).................................................... 7055
Ministers: Staff, Capital Works and Acquisitions—(Question Nos 241 and 255)........ 7058
Computers in Schools—(Question No. 320)............................................................... 7059
Imports: Narcotic, Psychotropic and Precursor Substances—(Question No. 323)..... 7061
Wednesday, 22 June 2011

The SPEAKER (Mr Harry Jenkins) took the chair at 9:00, made an acknowledgement of country and read prayers.

PRIVILEGE
The SPEAKER (09:01): On 16 June the Leader of the House raised as a matter of privilege the unauthorised disclosure of proceedings of the Joint Committee on Law Enforcement. In accordance with the practice of the House I referred this matter to the joint committee itself. For the information of the member I present a letter from Senator Hutchins, chair of the committee, advising of the results of the committee's consideration of the matter.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:01): Once I have had a chance to read the correspondence, which I note is quoted in today's Age, I will perhaps have an opportunity to comment further on this matter. But I do note that it is mentioned on page 6 of today's Age with direct quotes from that letter, and I table the report from the Age.

The SPEAKER: I thank the Leader of the House for tabling the report. I do not thank him for the revelation. I think I should just leave it at that.

BILLS
Schools Assistance Amendment Bill 2011
First Reading
Bill and explanatory memorandum presented by Mr Garrett.
Bill read a first time.

Second Reading
Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (09:03): I move:

That this bill be now read a second time.

In December 2010, the Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEEDYA) endorsed the Foundation to Year 10 Australian Curriculum in the initial four learning areas of English, maths, science and history. Ministers agreed that from 2011, states and territories will commence staged implementation of the agreed Australian Curriculum with substantial implementation to be completed by the end of 2013. The implementation date defined in the act needs to be replaced to reflect this decision.

The single implementation date currently prescribed by the act does not accommodate the different implementation time frames that will accompany each new phase of the Australian Curriculum endorsed by education ministers.

Nor does it provide a means of dealing efficiently with future additions or revisions to the national curriculum, which are an accepted part of curriculum development processes.

The proposed amendment to the act will overcome these deficiencies by introducing a standing regulation that prescribes both the national curriculum and associated implementation time frames as those authorised by education ministers via the Council of Australian Governments' Standing Council for School Education and Early Childhood, formerly known as MCEEDYA.

The new standing regulation will provide a mechanism to efficiently accommodate phased implementation of the Australian Curriculum, as well as any future additions or revisions to the curriculum endorsed by the standing council.
Debate adjourned.

Cybercrime Legislation Amendment Bill 2011

First Reading

Bill and explanatory memorandum presented by Mr McClelland.

Bill read a first time.

Second Reading

Mr McCLELLAND (Barton—Attorney-General) (09:05): I move:

That this bill be now read a second time.

The Cybercrime Legislation Amendment Bill 2011 makes amendments to facilitate Australia’s accession to the Council of Europe Convention on Cybercrime.

The convention is the only binding international treaty on cybercrime. The government announced its intention to accede to the convention in April 2010. To date, over 40 nations have either signed or become a party to the convention, including the United States, United Kingdom, Canada, Japan, South Africa and others.

Cybercrime poses a significant challenge for our law enforcement and criminal justice system. The global and interconnected nature of the internet makes it easy for malicious actors to operate from abroad, especially from those countries where regulations and enforcement arrangements are weak. For this reason, it is critical that laws designed to combat cyberthreats are harmonised, or at least compatible to allow for international cooperation between law enforcement agencies.

The convention serves as a guide for nations developing comprehensive national legislation on cybercrime and also establishes procedures to make investigations more efficient and provides systems to facilitate international cooperation, including:

- empowering authorities to request the preservation of specific communications;
- helping authorities from one country to collect data in another country;
- establishing a 24/7 network to provide immediate help to investigators; and
- facilitating the exchange of information.

The convention requires parties to criminalise certain types of conduct committed via the internet and other computer networks and ensure domestic agencies can access and share information to facilitate international investigations.

As such, the convention will help Australian agencies to better prevent, detect and prosecute cyberintrusions and criminal activity conducted over the internet.

Australian law already complies with a majority of the obligations of the convention. In particular, jurisdictions in Australia have created relevant offences and have provided agencies with many of the powers and procedures required by the convention.

However, accession to the convention will require amendments to the Telecommunications (Interception and Access) Act 1979, the Mutual Assistance in Criminal Matters Act 1987, the Criminal Code Act 1995 and the Telecommunications Act 1997 to enhance Australia’s ability to effectively combat cybercrime.

Preservation of stored communications

In terms of an overview of the act, schedule 1 implements requirements of the convention to establish powers for agencies to obtain the preservation of stored communications for up to 90 days, particularly where there are grounds to believe that the data is vulnerable to loss or to modification.

The purpose of the preservation period is to maintain the integrity of the data for a
period of time to enable agencies to seek its disclosure through a relevant warrant.

These amendments are necessary as carriers’ business practices often include the deletion of communications before agencies have the opportunity to exercise a warrant for their access, in the case of one carrier that is within 24 hours of a message’s creation. It also, however, on the other side of the coin, formalises cooperative and voluntary arrangements that already exist with some carriers who will hold communication records pending formal receipt of a warrant.

Accordingly, the bill amends the Telecommunications (Interception and Access) Act so that an agency can formally require a carrier to preserve stored communications by reference to an individual or telecommunications service. This approach enables the preservation of computer data, but also SMS messages, emails and other communications stored by the carrier while ensuring the Telecommunications (Interception and Access) Act remains technologically neutral.

The bill will also enable designated interception agencies to require carriers to preserve ongoing communications in respect to an individual or service for up to 30 days. Again, these communications can only be accessed by a designated interception agency upon the grant of a valid warrant.

The bill will enable the Australian Federal Police to require the preservation of communications on behalf of a foreign law enforcement agency. Once again, however, the content of those preserved communications can only be accessed following authorisation of a stored communications warrant under a formal mutual assistance request for a serious foreign contravention. Such a serious contravention is an offence carrying a penalty of either three years imprisonment or a fine of approximately $99,000.

There are a number of important protections in the bill and these include the fact that:

- Agencies can only access preserved communications from a carrier with a relevant warrant.

- Preservation is only available to investigate a ‘serious contravention’ (defined as an offence carrying three years’ imprisonment, a $19,800 fine for individuals, and a $99,000 for non-individuals) or for obtaining intelligence relating to security which is defined under the ASIO Act as relating to espionage, terrorism, foreign interference and border integrity.

- In each case a number of tests must also be satisfied. These include balancing privacy considerations and determining that there are reasonable grounds to suspect that the carrier holds the relevant communications and also that the information obtained would be likely to assist the investigation.

- Also included in the protections are the fact that domestic notices are revoked automatically after 90 days. They must also be revoked by the agency if before that point in time the agency is no longer satisfied that grounds exist for issuing the notice.

- The other protections include notices with respect to the preservation of ongoing communications which are only available for up to 30 days in the case of ongoing communications.

- Agencies will be required to report on the number of preservation notices issued and keep copies of those notices.

- Finally, the use of preservation powers by agencies will be subject to the oversight of
the Commonwealth Ombudsmen in respect to policing agencies and the Inspector-General of Intelligence and Security (IGIS) in respect to the actions of ASIO.

**International cooperation**

In terms of international cooperation, schedule 2 of the bill amends the Telecommunications (Interception and Access) Act 1979 and the Mutual Assistance in Criminal Matters Act 1987 to allow the Australian Federal Police to assist foreign partners by accessing communications data on a police-to-police basis. Communications data relates to information about a communication, rather than the content of the communication itself. This is often important information which can reveal a target has Australian accounts, has been involved with known Australian suspects or has connections or associations with known criminal groups.

The bill will also enable Australia to provide non-content data on an ongoing basis to a foreign country, following a formal mutual assistance request. Particular safeguards with respect to providing information pursuant to a mutual assistance request will also apply. These tools will further assist in the investigation of international cybercrime.

In order to ensure full compliance with article 15 of the convention, which deals with the protection of civil liberties, the bill also introduces a new requirement in the Telecommunications (Interception) Act in respect of the protection of privacy. This will require agencies to specifically consider the privacy of affected parties before authorising the disclosure of telecommunications data.

The requirement to consider privacy will apply to any authorisation for any domestic or foreign purpose. Privacy in this context, is interpreted more broadly than in the Privacy Act 1988, and will include consideration of the amount of information that the authorisation will make available to the agency, the relevance of the accessed information to the investigation in question, as well as how a third party’s privacy may be impacted by the information.

The reforms contained in schedule 2 were released for public comment by the government in January 2011 in respect of the Extradition and Mutual Assistance in Criminal Matters Legislation Amendment Bill.

**Amendments to the Criminal Code**

Computer crimes in Australia are set out in Commonwealth as well as state and territory law.

Commonwealth offences are currently limited to circumstances in which a carriage service has been used or Commonwealth computers or data are involved in the commission of an offence. For situations not covered by Commonwealth laws, state and territory offences are used by law enforcement agencies.

In order to ensure full compliance with convention requirements, the Criminal Code will be amended to remove the current limitations on Commonwealth computer offences. The amended powers will be supported by the external affairs power, Australia implementing this legislation as part of its compliance with that international treaty obligation.

In the event of any inconsistency between Commonwealth and state or territory laws, the savings provisions contained in the Criminal Code will ensure the validity of those state and territory laws.

**Consultation**

In April 2010, the then Minister for Foreign Affairs and I jointly announced Australia’s intention to accede to the convention. On 17 February 2011, the Attorney-General’s Department released a
public discussion paper in relation to Australia’s proposed accession.

Submissions were received from representatives of the telecommunications industry, state governments, the Office of the Information Commissioner as well as from privacy and civil liberties groups.

The majority of submissions supported accession.

After the tabling of the national interest analysis by the Minister for Foreign Affairs on 1 March 2011, the Joint Standing Committee on Treaties considered Australia’s proposed accession. JSCOT tabled its report supporting Australia’s accession to the convention on 11 May 2011. The committee agreed that cybercrime is a growing threat at a time when computer based networks are the most vital means of communicating and doing business.

Conclusion

The increasing cybercrime threat means that no nation alone can effectively overcome this problem and that international cooperation is essential.

Australia must have appropriate arrangements domestically and internationally to be in the best possible position to fight cybercrime and to do it in cooperation with international partners.

This bill will facilitate Australia’s accession to the cybercrime convention and improve our ability to cooperate internationally and domestically in combating cybercrime. I commend the bill to the House.

Debate adjourned.

Second Reading

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (09:19): I move:

That this bill be now read a second time.

This bill amends various taxation laws to implement a range of improvements to Australia’s tax laws.

Schedule 1 exempts the outer regional and remote payments made under the Better Start for Children with Disability initiative from income tax.

This amendment is important for families with disabled children in regional Australia. The Better Start for Children with Disability initiative provides funding for early treatment, early intervention, for children with diagnosed impairments. This is important because treating children with disabilities early in their lives is shown to be more effective than later treatment. Children with diagnosed disabilities such as sight and hearing impairments, cerebral palsy, Down syndrome or fragile X syndrome will now have a better start to life under this initiative.

The outer regional and remote payments, made under the Better Start for Children with Disability initiative, are payments of $2,000 available to families in rural Australia. This will support these families, who often have to travel long distances and spend extra money to access services for children with disabilities. This is, of course, in addition to the $6,000 paid to all parents with children under the age of six with disability diagnosed.

These $2,000 payments to assist with the extra cost if you live in remote regional Australia are often considered income for taxation purposes. The outer regional and remote payments provide important help to regional families, so the Gillard government believes that, in this case, these payments should not be taxed. This amendment
ensures that the payments will not be taxable income.

Schedule 2 provides an exemption from fringe benefits tax for transport, from an employee’s usual place of residence to their usual place of employment, where the employee is an Australian resident employed in a remote area overseas. This arrangement is commonly known as a fly-in fly-out arrangement. This exemption will ensure that Australian residents working for Australian employers in remote areas on fly-in fly-out arrangements are taxed consistently, regardless of whether they are working in Australia or overseas, as well as eliminating any possibility of double taxation on such benefits.

The measure will apply to fringe benefits provided after 1 July 2009, when Australian residents working in remote areas overseas potentially became assessable on their foreign employment income.

Schedule 3 amends the list of deductible gift recipients (DGRs) in the Income Tax Assessment Act 1997. Taxpayers can claim income tax deductions for certain gifts to organisations with DGR status. DGR status will assist the listed organisations to attract public support for their activities.

Schedule 3 primarily adds two new organisations to the 1997 Income Tax Assessment Act, namely, the New Zealand government’s Christchurch Earthquake Appeal and the Cancer Australia Gift Fund. The New Zealand government established the Christchurch Earthquake Appeal to help the communities, families and people of Christchurch and the Canterbury region in the wake of the devastating earthquake which hit Christchurch on 22 February 2011. Listing the fund allows Australians to donate directly to the fund and claim a tax deduction.

The government announced the amalgamation of the National Breast and Ovarian Cancer Centre with Cancer Australia on 15 June 2010. The listing of the Cancer Australia Gift Fund is to allow funds to be used to work directly with stakeholders to improve breast cancer outcomes for women, reduce mortalities from breast cancer, and improve the wellbeing of women diagnosed with the disease.

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

Debate adjourned.

Family Assistance and Other Legislation Amendment Bill 2011
Second Reading

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

Mr ANDREWS (Menzies) (09:24): This proposed legislation seeks to amend the A New Tax System (Family Assistance) Act 1999 to lower the maximum age of eligibility for Family Tax Benefit Part A, or FTBA, from 24 to 21 on 1 January 2012; pause indexation until 1 July 2014 for the higher income-free area for FTBA, for the Family Tax Benefit Part B, or FTTB, income limit and for the baby bonus income limit; and pause indexation of FTBA and FTBB supplements for three years from 1 July 2011. Secondly, it seeks to amend the Paid Parental Leave Act 2010 to extend the commencement date for indexation of the Paid Parental Leave scheme income limit. Thirdly, it seeks to amend the Social Security Act 1991 to require people to test their future work capacity by participating in training or work related activities in order to qualify for the disability support pension. Fourthly, it seeks to amend the Social Security (Administration) Act 1999 to enable a proposed 12-month extension of the welfare reform trial in the Cape York area.
Fifthly and finally, it seeks to amend the Aboriginal Land Rights (Northern Territory) Act 1976 to clarify that the Public Works Committee Act 1969 does not apply to Aboriginal land trusts.

This bill spearheads the Labor-Greens alliance antifamily agenda. I will first cover the issue of the eligibility age for children under the family tax benefit. The bill seeks to lower the maximum age for the eligibility of a child for FTBA from 24 to 21 on 1 January 2012 to align with the age at which a person becomes independent for the purposes of youth allowance from 1 January 2012. This is to ensure consistency between the FTB and youth allowance. The measure also includes transitional arrangements so that families with a young person who is already enrolled in a course which started before 1 January 2012 will continue to receive FTBA until that course finishes.

I turn to the issue of indexation. Amendments to indexation arrangements for family assistance and paid parental leave are also proposed. Indexation will be paused until 1 July 2014 for the higher income-free area of FTBA—both the basic amount and the additional amount for each FTB child after the first—the FTBB income limit and the baby bonus income limit. As paid parental leave is a new entitlement, indexation of the PPL income limit should occur on 1 July each year, starting on 1 July 2012. This measure will extend the commencement date for indexation of the PPL income limit to 1 July 2014. This will assist in maintaining consistency with the pausing of indexation for the baby bonus income limit under the Family Assistance Act.

I turn to the issue of assessing qualification for the disability support pension. This schedule introduces a requirement, commencing from 3 September 2011, for people to provide evidence that they have tested their future work capacity, by participating in training or work related activities, in order to qualify for the disability support pension. This new requirement will not apply to claimants for DSP who have a severe impairment, such as those who are clearly unable to work. Presently a person has a continuing inability to work because of an impairment if the secretary is satisfied that the impairment is of itself sufficient to prevent the person from doing any work independently of a program of support within the next two years, and either: (i) the impairment is of itself sufficient to prevent the person from undertaking a training activity during the next two years; or (ii) if the impairment does
not prevent the person from undertaking a training activity, such activity is unlikely, because of the impairment, to enable the person to do any work independently of a program of support within the next two years.

The schedule introduces the new requirement that a person who does not have a severe impairment must satisfy the secretary that they have actively participated in a program of support. The requirement for a person to have actively participated in a program of support will not of itself answer the question of whether the person has a continuing inability to work. In addition, the person will also be required to satisfy the secretary that, as a result of the person's impairment, the person is prevented from undertaking any work and/or a training activity within the next two years. A person will have a severe impairment if the person's impairment has been assessed under the impairment tables and has been assigned an impairment rating of 20 points or more, of which 20 points or more have been assigned under a single impairment table. A person with a severe impairment will not be required to have actively participated in a program of support. However, the person will have to satisfy the secretary that, as a result of the person's impairment, the person is prevented from undertaking any work and/or a training activity within the next two years. This schedule commences on 3 September 2011. This commencement date aligns with Centrelink system requirements.

Schedule 4, 'Extending Cape York welfare reform trial', amends section 123UF of the Social Security (Administration) Act 1999 to enable a proposed 12-month extension of the welfare reform trial in the Cape York area. The Cape York welfare reform trial is a partnership between the communities of Aurukun, Coen, Hope Vale and Mossman Gorge, the Australian government, the Queensland government and the Cape York Institute for Policy and Leadership. It aims to restore positive social norms, re-establish local Indigenous authority and support community and individual engagement in the real economy. A key plank of the trial is the Family Responsibilities Commission, established under Queensland government legislation. Local Family Responsibility Commissioners hold conferences with community members, refer people to support services and, when necessary, arrange income management. Currently, a person can only be subject to income management under the trial after a decision by the Family Responsibilities Commission, made before 1 January 2012. This schedule amends the Social Security (Administration) Act 1999 to extend this date to 1 January 2013 to enable income management to continue in Cape York for a further 12 months.

Schedule 5, 'Aboriginal land trusts', amends the Aboriginal Land Rights (Northern Territory) Act 1976 to clarify that the Public Works Committee Act 1969 does not apply to Aboriginal land trusts. The land rights act provides for the establishment of Aboriginal land trusts to hold title to land in the Northern Territory for the benefit of Aboriginal people entitled by Aboriginal tradition to the use or occupation of the land concerned. Land vested in an Aboriginal land trust under the land rights act is held as an estate in fee simple. Since the concept of authorities of the Commonwealth was first introduced into the Public Works Committee Act by way of amendment in 1981, Aboriginal land trusts have not in practice been considered to be Commonwealth authorities to which the Public Works Committee Act applies. The amendment made by this schedule clarifies that Aboriginal land trusts are not authorities of the Commonwealth for the purposes of the Public Works Committee Act.
When the Prime Minister said that the government had lost its way she was right. The government lost its way and now we know that it has lost its way permanently. This bill will see a quarter of a million families worse off; I repeat: one quarter of a million families worse off. Even families struggling to make ends meet on incomes of $45,000 per year will be hit as a consequence of this legislation. Labor has turned its back on families, who will have their payments eroded. Every single family receiving a family tax benefit will be hit by this change; that is some 2.1 million families throughout Australia. At a time when Australian families are struggling with a rising cost of living, cutting $2 billion from family benefits will put many under even more pressure. On top of that, many families with parents earning average wages will lose hundreds of dollars a year through the freezing of the threshold at which families start losing base rate family tax benefit A. Losing this support will hurt families, who have already seen many of their bills increase dramatically in recent years. Since December 2007, electricity prices across Australia have increased by an average of 51 per cent; the overall cost of food has increased in this country by 13 per cent; and education costs such as school fees have increased by an average of 24 per cent across Australia. Measures such as the FTBA and the FTBB, as well as the baby bonus and paid parental leave, are important measures designed to support families. They should not be used to generate savings to sort out the financial recklessness that we have become so used to seeing from this weak government.

I am sure Labor's backbench is excited that their official alliance partner, the Greens, will soon be boosted by new senators. And one of them is anti-Israel senator-elect Lee Rhiannon. She is nothing less than an extremist and she, together with her Green colleagues, will continue to pull the Labor Party away from what was once bipartisan ground; that is, supporting ordinary Australian families. Senator Brown has been so obsessed with his pet issues that he has forgotten about the 2.1 million families that will be hit by the antifamily agenda that he and Labor are pursuing with this bill and other measures. The reality is that Labor stopped listening to Australians a long time ago. If they would only listen they would hear a resounding chorus of condemnation. Labor's economic management leaves much to be desired: debt and deficit, waste and mismanagement, incompetence and ineptness. And it is getting much worse. This pressure on families will increase. Costs of living will increase. But, in stark contrast to these facts, family support will be frozen. If their approach to family relationship and support services is anything to go by, cuts will follow in the future.

It must be made clear that the plan to launch this attack on family budgets was planned in great detail before the election and as early as January 2010. Labor knew it needed to find money after wasting billions and its anti-family agenda led it to hit family assistance payments, freezing payments and eroding them over time when this was the last thing that Australian families needed. This was a deception on the Australian people. There was not a word about hitting family assistance during the campaign and certainly not before it, yet we know from answers provided in the Senate estimates that this was planned as early as January 2010.

The Prime Minister that lied about a carbon tax deceived Australians by not being upfront and honest about her hit on family benefits. The reality is that this government no longer has any moral authority. It does not care about families. In fact, thanks to the extremists in their own ranks and in the
ranks of their Green allies, they are perpetuating an agenda that will hurt families and hit family budgets hard. For this the government stands condemned. It stands condemned for deceiving Australians and it stands condemned for hitting family budgets. Therefore, I move: 

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

(1) notes:
(a) that over 2.1 million Australian families will lose some support as a result of the real value of the Family Tax Benefit supplement being cut in this legislation;
(b) that the Government had worked up a policy to freeze indexation on Family Tax Benefits prior to the last election and kept this a secret from the Australian people during that election campaign;
(c) that these cuts to family assistance payments come at a time when Australian families are struggling with increased cost of living pressures and will put further pressure on family budgets; and
(d) that Family Tax Benefit Part A and Family Tax Benefit Part B, the Baby Bonus and Paid Parental Leave are important measures designed to support families which should not be used to generate savings to sort out the Government's financial waste and mismanagement; and
(2) calls on the Government to immediately acknowledge the serious impact that this bill will have on Australian families who will have their assistance payments eroded or cancelled".

The DEPUTY SPEAKER (Hon. BC Scott): Is the amendment seconded?

Ms Gambaro: I second the amendment.

Mr HAYES (Fowler—Government Whip) (09:39): It is a pleasure to follow the member for Menzies in this debate on the Family Assistance and Other Legislation Amendment Bill 2011. The pleasure I have in following the member for Menzies is that it enables me to take a little time to mention the things that he left out. One of the things that he left out—and I know that a lot of people on that side of the chamber do—was the global financial crisis. We do not need to contain ourselves to the history books as to when it occurred and its effect. As a matter of fact, Australia had one of the few developed economies in the world that grew over that period of time. It also reflects well in our employment records. But, leaving all that aside, there are plenty who can go out there and extol the virtues of Labor's management of the economy.

I want to talk about what the opposition did when they had a chance to participate in doing something constructive for the economy at that stage. When it came to things such as guaranteeing bank deposits to ensure that small business did not go under, did they support that? No. They wanted to impose some form of limit of $100,000. That would have been very good for very, very small businesses, but for businesses that generate employment, no, they did not want to participate. Did they support the one-off payments in all areas of the stimulus package? Again, no, they did not. You have to ask yourself why. The same position on the stimulus package was put forward by every leading economist in the country. The only ones that did not embrace the package were all those opposite. Probably the reason they did not embrace it is that there is not an economic brain between them.

This bill delivers on five measures announced in the 2011-12 budget as well as some non-budget measures. Families are the core of our society. With this in mind, we must provide as much support as possible for the family unit. My electorate is in outer metropolitan Sydney. I know full well that the family unit is very much the core of the being of my electorate of Fowler. The
number of families and the fact that they come from a low socioeconomic area means that they do require support. When we support those families those children go on to do wonderful things throughout other aspects of our economy. I will come back to that a little later.

This amendment introduced by the Minister for Families, Housing, Community Services and Indigenous Affairs is a very proactive step to ensuring that the government directs its resources in the most effective manner to those Australian families who, quite frankly, need it most. That is what we do in a caring society. We do not want to go down the path of the former Howard government, which was buying votes from people and which was governed by middle-income welfare. This is a matter of realigning and doing what we should do as a caring society to ensure that our emphasis goes to helping families in need and helping people to participate in all sectors of the economy. (Quorum formed)

As I was saying, three provisions were put in practice in respect of the reform for family payments through the 2011-12 budget package. Commencing on 1 January 2012, the maximum age for eligibility for family tax benefit A will be lowered from 24 to 21. Importantly, this will bring that provision into line with the eligibility provision for youth allowance. This change recognises the fact that people aged 22 and over are considered independent—although I, like you, Mr Deputy Speaker Scott, have children over 24 and I do not think that as parents we ever get relieved of that level of dependence. But for the purposes of this legislation this provision aligns family tax benefit A with the age provisions for the youth allowance. If these young adults are enrolled in full-time study they will have access to the youth allowance, independent of their family’s income, subject obviously to the means-testing and academic progress rules.

By saving $29.2 million over four years, we can redirect those resources within the family payment system, with a greater focus on families with dependent children in study or who are currently undertaking training, vocational or otherwise. Again, this gets back to the central theme of what I said initially, that this is about directing resources towards those in our community who need assistance.

From 1 July this year Australian families will benefit from the indexation pause for another two years. The pause will be applicable to higher income limits for family payments and that will, over a four-year period, save an estimated $1.2 billion. This is yet another measure that demonstrates the government is committed to helping families with the rising costs of raising kids, especially in low- to middle-income households. That is precisely where these changes are directed in my electorate of Fowler and those are precisely the people who will benefit from the redirection of those resources.

To meet the increased costs of living, the government has ensured that the fortnightly payment rate for the family tax benefit and the baby bonus continue to be indexed annually. The provision in respect of parental leave payments was raised earlier but, given the link between the national minimum wage and the parental leave payment, that will not now be affected.

Under these changes it is expected that less than two per cent of families will no longer be eligible for family payments. This, however, is a necessary change as it is in line with the government’s effort to ensure a sustainable family payments system not only now but into the future.
In addition to these measures, the amending legislation provides for more efficient and accurate assessments for the disability support pension and also enables the proposed 12-month extension of the Cape York welfare reform trial to 1 January 2013. Under the current system, people can apply for the disability support pension without ever having sought rehabilitation and without having demonstrated that they have undertaken various training regimes or participated in a program of support to help facilitate employment options. By requiring applicants to now provide sufficient evidence that they are unable to work independently, we are ensuring that the disability support arrangements are directed at individuals who actually need it most. It also promotes a greater focus on encouraging individuals to re-enter and participate in the workforce.

Only last week I spoke in the House about Hoxton Industries as well as the Australian Foundation for Disability, AFFORD. Both of these organisations are employers of people with disability. Hoxton Industries currently employ around 150 people with a disability. They do a fabulous job in my community. I have often suggested, particularly when I address chambers of commerce and other businesses, that, where possible, without jeopardising a return on investment, a return to shareholders or compromising a business, local businesses should use the services of organisations such as Hoxton Industries or AFFORD—people who go out and specialise in the employment of people with disabilities. They make an enormous contribution to our community. I have nothing other than praise for the way those organisations conduct themselves and provide opportunity for people with disabilities, some of them with profound disabilities, to participate in the workforce.

One thing I have learnt from my many years of working with people with disabilities is that they certainly do not want our sympathy and they do not seek handouts. People with disability expect inclusion in all aspects of our community, including employment. They are no different from anybody else—they want to feel a sense of worth through their participation in gainful employment. Encouraging and helping to facilitate that is a very good thing. By concentrating on people's abilities rather than limitations, this legislation delivers an extra saving of $49.7 million while empowering individuals to help support themselves.

Finally, these budget measures also extend the Cape York welfare reform. To demonstrate support for this trial in the communities of Aurukun, Coen, Hope Vale and Mossman Gorge, in a partnership with the Queensland government, we have committed an extra $16.1 million over two years.

These budgetary measures are economically responsible and they certainly strive to bring the budget back into surplus. More importantly, these changes achieve a redirection of resources to communities that need them. They certainly seek to redirect support to families in most need. As a government, we have a commitment to do all we can to assist families. I therefore commend this bill to the House.

Mr SIMPKINS (Cowan) (09:54): I welcome the opportunity to speak on the Family Assistance and Other Legislation Amendment Bill 2011. From the title you would think there was a whole lot in this for families—more family assistance at a time when costs of living continue to rise, at a time when retail in our suburban shopping centres such as Kingsway, Newpark and Wanneroo Central is suffering. Yet the government brings in all these changes that will take away support for families—the forgotten families.
Those on the other side used to be the supporters of working families, but that was just a catchcry that served a purpose back in 2007. It created an image but now, when things are getting a bit tough, they pull back from that assistance. Thousands of Australian families will be worse off. They will lose various amounts of family tax benefit A or family tax benefit B at a time when electricity prices are rising, when the cost of food is rising, when transport costs are rising and when school fees are rising. This is the government's response.

Those opposite talk about savings, and the member for Fowler talked about the need to bring the budget back into surplus. There is no doubt about that. Spending restraint by this government is very important to keep pressure off interest rates. We know there is a lot of pressure on interest rates in this country. But, when you look across the range of government programs, it is very easy to find savings. We look back on some wonderful programs such as the pink batts scheme and some of those green programs that have been shown to be fundamental, colossal failures. There is the border protection failure which has seen costs blow out to the extent of billions of dollars. The member for Fowler talked about the redirection of resources but, when you look through what is actually being redirected and what is being saved from the cuts, the cuts far and away exceed what is being redirected.

Australian families are the ones that will be suffering at a time when the shops and retail outlets in my electorate of Cowan, across Perth and across this country are doing it tough. Not everyone has the fly-in fly-out miners. Not everyone has those guys on $150,000 or $200,000 walking into their shops. Most people are not on that sort of money, and it is wrong of the government to take away money from families that are not doing it easy. It seems that $150,000 is the magic mark for this government—families on more than 150 grand are just the filthy rich and they should have everything taken away from them. But there are a lot of families sailing close to that mark on a couple of modest salaries and they have to look after their kids, pay the bills and keep up with the costs of living. It is a sad day when this government attacks the forgotten families of this country with these sorts of measures. It is very hard to find something in this bill that you can honestly say you would support—there are indexation freezes and there is the tax on family tax benefit supplements. There are a lot of problems in this bill, and that is why I support the second reading amendment of the member for Menzies.

Some aspects of this bill relate to the disability support pension. It is appropriate that all those with the capacity to seek employment be asked to reach their capacity and be asked to contribute to society. I do not think anyone on this side would object to that. There have been some cases where the families of those with severe impairment or permanent incapacity have been unfairly required by Centrelink to continually prove disability. That is a tragic thing and certainly Centrelink needs to work something out. If someone has a permanent severe disability the family should not be put under the pressure of having to get medical certificates every couple of years to justify the requirement for the disability support pension.

In any discussion of the disability support pension it is also worthwhile talking about the National Disability Insurance Scheme. Recently the Productivity Commission's draft report was put out; we on this side certainly supported the referral to the Productivity Commission. In regard to disabilities we know that there is a wide

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range of support. In many state jurisdictions there is the workers compensation aspect. If someone is injured in a car accident, for instance, the level of support is quite significant in some jurisdictions. But in other areas, such as where someone is born with a disability, it is very difficult because there is a requirement for the families to reach out to a number of different agencies to try to cobble together the support they need for their disabled family member. So we have a real mish-mash of a scheme, a system that really needs to be worked on.

We need a workable scheme in this country and it is right that we look at the National Disability Insurance Scheme or in fact a scheme that would see a resolution of the longstanding problem in this country of providing true support to those who are disabled and for their families. On this side we look forward to the Productivity Commission's final report with regard to the scheme and to disability services in this country. The coalition will give generous consideration to the final report.

Across this bill there are some aspects that I am happy with, but what is being done against families in this country is not something we should be supporting. As I said before, the cost of living continues to rise. The support levels under this bill continue to fall or are planned to fall. When we look at the election campaign just 12 months ago, it is very difficult to recall where this was all forecast. It is a bit like the carbon tax that was never going to exist; it was ruled out by the Prime Minister and by the Treasurer—hysterically at one point by the Treasurer I recall. This government wants to take away family payments and create problems for Australian families. It has forgotten families. At the same time it wants to bring in this carbon tax, a tax that will do nothing for the environment and for the lowering of global temperatures. There are a number of attacks being made by this government. Conveniently, they were not forecast as part of the election campaign. In any case, these are the challenges that this government wants to impose on the forgotten families of this country.

So it is right that we on this side of the House talk about these things and remind the government that families are the most important building block of this country. They are entitled to support, and that support should not be reduced in this frivolous manner. Whilst there is virtue in ensuring that the budget is balanced as soon as possible, the government should look to many of its programs that have not worked, are expensive and have blown out and find the savings within those measures. We have been able to do it. During the election campaign we talked about the billions of dollars that we would cut from some of these many wasteful programs. So it is possible to do it without a tax on the families of Australia.

I encourage the government to re-think this bill. In any case I most certainly take this opportunity to support the member for Menzies in his wise amendment about this bill.

Mr NEUMANN (Blair) (10:05): I speak in support of the Family Assistance and Other Legislation Amendment Bill 2011. I am very proud to be part of a government that actually supports families. There are a number of measures we have brought in since we came into government in November 2007 that have made a huge difference and will continue to do so over many years. First, I am most proud about the Paid Parental Leave scheme that we brought in and that is now operating in this country. For 11½ years those opposite opposed it. In fact the current Leader of the Opposition said that it would come in over his dead body. Then, later on,
in a road-to-Damascus conversion experience, he decided that he was going to bring in a system that would actually tax companies and increase the impost on household budgets. It is an extravagant scheme that plays to the higher income earners but fails to assist middle- and low-income earners.

The second issue that as part of this government I think has made a big impact is the area of childcare rebates. The 73 per cent increase in childcare rebates we have seen in this country—up to $7,500 per child—assists mums and dads who want to participate in the workforce and make an impact in the workplace with their productivity. They also contribute to their family's financial security by working hard day in, day out for the money. It has made a big impact because we have seen more children placed in childcare centres, where they get good-quality child care. This is because of the funding that this government has put in. It is far more than the Howard coalition ever put into child care. One of its first acts in power was to rip $1 billion out of the childcare sector, so we have massively increased the funding there. The increased funding for the childcare rebate has been a huge advantage for Australian families.

The third area is in the education tax refund for people on family tax benefit A, putting real money back into people's pockets so they can spend that money on things like computers and educational needs for their kids, and extending this out to uniforms is also a big advantage. We have a proud record of helping Australian families, not just through the tax cuts we provided for three years in a row but also through real measures like the paid parental leave scheme, the childcare rebate increase, areas like helping households and schools, school and education communities, and helping health by massively increasing its funding. In fact, in so many areas since we have been in government we have made changes to remedy the problems of the past.

The bill that we are debating has a number of budget measures. There is the reform of family payments for 2011-12; the aligning of family tax benefit part A eligibility with the youth allowance, which makes sense in terms of the age of dependency; and the pausing of indexation of certain family assistance and paid parental leave income thresholds for a further two years. I do not think that is unreasonable in the circumstances as we get the budget back into surplus and put a focus on good economic management. We are the ones who brought in the paid parental leave scheme. We are the ones who increased assistance to households. Of course, we put in pause indexation on FTB end-of-year supplements for three years. There are a number of changes in this piece of legislation which we believe are important and necessary for the whole budget framework.

Those opposite on so many occasions will criticise us for what we do. They will say that we should not do this; they will say that we are wasting money, but when push comes to shove and when they are given the opportunity to say something about the budget and legislation here they carp and whine and moan. They do not come up with plans; they do not come up with strategies which are geared towards helping families. We are the ones who have been vigilant with respect to pension increases, tax cuts and building Australia's future by helping participation in the workforce.

We are the ones who have also made an impact by making sure disability support pensions do not get left out. Those opposite will criticise us in that regard. They will criticise us for what we are doing about disability support pensions and the
implementation of efficient and more accurate assessments for disability support pensions. They will criticise us for all kinds of things we do to make sure that people transition from welfare to work and say we are not doing enough or achieving what we say we are achieving. But we have brought forward reforms. We want people to participate in the workforce, we want to get them off welfare, because we know that if someone works it improves their self esteem, it improves their employment prospects in the future and their family's financial security. So we are making reforms in this bill. We are making changes which we think are necessary in the overall budget strategy.

The bill covers a number of elements, as I have said. We are supporting families with dependent children in study and training—we think that is an important focus for our government. The reforms contained in the legislation are sensible initiatives. They not only support families but also are geared to getting the budget back into surplus. I come from a small business background. I ran a business for 20 years and I know how important it is to get your business in the black. I know how important running your business efficiently and effectively is for your credibility not just in terms of the bank but also for the staff and your customers.

We undertook to go into deficit during the global financial crisis. I am committed to jobs in my area of Blair, in Ipswich and the Somerset region, because it was absolutely necessary to do what we did. The measures contained in this legislation are about getting the budget back into the black. They are about doing what we need to do. We think it is important that we undertake these measures, some of which may be tough. They may be very hard. Some may say they are effective but stern. We think it is important to undertake these measures.

As a business needs to get in the black, as a family's household budget needs to be in the black, we need to get the economy geared towards productivity and productive growth in industries—not just the mining industry but also the retail and construction sectors et cetera. Government needs to be efficient and lean and it also needs to be prudent in its management of the economy and its own finances. The measures contained in this bill relate to the budget. They will have a financial impact—for example, the aligning of the age of FTB is $29.2 million over four years and assessing qualifications for the DSP is $622.7 million over four years.

There are many measures here that have a financial impact on the bottom line. These are prudent budget measures. They are necessary to do. They are part of an overall strategy by this government to get the budget back into surplus. I think we have the runs on the board and the credibility to show that we do support Australian families. We support families across the country and the community in my electorate. I commend the legislation to the House.

Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (10:13): The Family Assistance and Other Legislation Amendment Bill contains six measures, five from the 2011-12 budget and one minor non-budget measure. Three of the budget measures introduced in this bill involve important changes that will deliver a fairer, sustainable and more targeted family support system that focuses on low- and middle-income families and families with dependent children in study or training. First, the bill will align the maximum child age eligibility for family tax benefit part A with a reduction in their youth allowance age of independence from 1 January 2012. This change recognises that young people aged 22 and over are
considered independent and from 1 January 2012 may be able to access youth allowance independent of their parents' income, subject to means testing and academic progress rules.

In addition, the bill makes amendments to some indexation arrangements for family assistance and paid parental leave. The bill provides that indexation will be paused until 1 January 2014 for the higher income-free area for family tax benefit part A, the family tax benefit part B income limit and the baby bonus income limit. This builds upon the reforms announced in the 2009-10 budget that were designed to better target the family payment system to low- and middle-income families.

For paid parental leave, which is a new entitlement, indexation of the paid parental leave income limit will not commence until 1 July 2014. This will maintain consistency with the pausing of indexation for the baby bonus income limit. The bill also pauses indexation of family tax benefit end-of-year supplements until 1 July 2014. No family will lose any family payments as a result of these changes unless their income rises.

This bill also delivers important reforms to assessments for the disability support pension. This was a 2010-11 budget measure that was brought forward as part of the recent 2011-12 budget to start in September 2011 rather than January 2012. The bill reforms assessments for the disability support pension to help Australians with disability into work wherever possible, while continuing to provide an essential safety net for people unable to support themselves. Under the new assessment process, most people who apply for DSP will be required to have tested whether they can find suitable employment with the help available through, for example, employment services, retraining or rehabilitation. This requirement will not apply to a person with a severe disability or illness whose impairment is assessed at 20 points or more on one impairment table. The changes make sure assessments for the disability support pension focus on people's ability, not their disability. They will help people with disability get back to work wherever possible.

The final budget measure in this bill relates to the Cape York Welfare Reform trial, which is currently running in the communities of Aurukun, Coen, Hope Vale and Mossman Gorge. The trial is a partnership between these communities, the Australian government, the Queensland government and the Cape York Institute for Policy and Leadership. In the 2011-12 budget the government committed $16.1 million for a proposed extension of the trial for an additional year. The trial will not be extended without consultation with the Cape York communities. However, while these discussions take place, the government is ensuring that the necessary enabling provisions are put in place to allow income management under the trial to continue for an additional year under any extension to the trial. The bill also includes a minor non-budget measure which clarifies that Aboriginal land trusts established under the Aboriginal Land Rights (Northern Territory) Act 1976 are not Commonwealth authorities to which the Public Works Committee Act 1969 applies.

I thank the contributors to the debate and commend the bill to the House.

The DEPUTY SPEAKER (Hon. BC Scott): The original question was that this bill be now read a second time. To this the honourable member for Menzies has moved as an amendment that all words after 'that' be omitted with a view to substituting other words. The immediate question, is that the amendment be agreed to.
Question put.
The House divided. [10:23]
(The Speaker—Mr Harry Jenkins)

Ayes....................69
Noes....................71
Majority................2

AYES

Alexander, JG
Andrews, KL
Billson, BF
Bishop, JI
Broadbent, RE
Chester, D
Ciobo, SM
Coulton, M (teller)
Dutton, PC
Fletcher, PW
Gambarno, T
Griggs, NL
Hartsuyker, L
Irons, SJ
Jones, ET
Kelly, C
Ley, SP
Marino, NB
Matheson, RG
Mirabella, S
Moylan, JE
O'Dowd, KD
Prentice, J
Ramsey, RE
Robb, J
Roy, WB
Schultz, AJ
Secker, PD (teller)
Slipper, PN
Somlyay, AM
Stone, SN
Truss, WE
Turnbull, MB
Vasta, RX
Wyatt, KG

NOES

Adams, DGH
Bird, SL
Bradbury, DJ
Burke, AE
Butler, MC
Champion, ND
Clare, JD

Combet, GI
Danby, M
Dreyfus, MA
Emerson, CA
Ferguson, MJ
Garrett, PR
Gibbons, SW
Griffin, AP
Hayes, CP (teller)
Jones, SP
King, CF
Livermore, KF
Macklin, JL
McClelland, RB
Mitchell, RG
Neumann, SK
O'Connor, BPJ
Owens, J
Perrett, GD
Ripoll, BF
Rowland, MA
Rudd, KM
Shorten, WR
Smith, SF
Snowdon, WE
Smyth, L
Symon, MS
Thomson, KJ
Vamvakacos, M
Zappia, A

NOES

Crean, SF
D'Ath, YM
Ellis, KM
Ferguson, LTD
Fitzgibbon, JA
Georganas, S
Gray, G
Hall, JG (teller)
Husic, EN
Katter, RC
Leigh, AK
Lyons, GR
Marles, RD
Meham, D
Murphy, JP
Oakeshott, RJM
O'Neill, DM
Parke, M
Plibersek, TJ
Rishworth, AL
Roxon, NL
Saffin, JA
Sidebottom, PS
Smyth, L
Swan, WM
Thomson, CR
Vanvakinou, M
Windsor, AHC

PAIRS

Abbott, AJ
Frydenberg, JA
Hockey, JB
Hunt, GA

Gillard, JE
Elliot, MJ
Kelly, MJ
Grierson, SJ

Question negated.
Original question agreed to.
Bill read a second time.
Message from the Governor-General recommending appropriation announced.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr BANDT (Melbourne) (10:30): by leave—I move amendments (1) and (2) together:

(1) Clause 2, page 2 (line 1), omit item 4 from the table (commencement of Schedule 3).
These amendments regard the changes to the disability support pension. These are amendments that will have the effect of removing schedule 3. Schedule 3, which requires people with disabilities to prove their incapacity to work by participating in training or work related activity before they are assessed as eligible for DSP, is deeply problematic for a number of reasons. Firstly, individuals who are assessed to have a severe impairment which prevents them from working are not required to complete a program of support. However, the method for determining severe impairment does not account for co-morbidity or cumulative conditions. To be judged to have a severe impairment a person must be assigned an impairment rating of 20 points or more under a single impairment table. This means that a person with co-occurring disorders will not be classified as having a severe impairment unless one or both of the disorders rate above 20 under a single table. This is concerning as the impact of co-occurring disorders can be very severe.

Under the proposed legislation, people suffering from co-occurring disorders who are not judged to have a severe impairment will not be put straight onto the disability support pension. They will most likely be placed on Newstart and yet be unable to meet the requirements of participation in a program of support. What we have found in looking at this bill is that it is very difficult to fully evaluate concerns relating to severe impairment when not only are the revised tables not completed yet but the progress of the current review has not been made public.

There is a lot of ambiguity in this bill, and it has raised many concerns with those in the sector and amongst my constituents. When this bill was originally tabled, we received hundreds of calls in my electorate and elsewhere from concerned constituents about how it would impact on them and their loved ones. In particular, it is unclear what the maximum amount of time is a person could wait before being reassessed for disability support. According to the government, programs of support will generally last 18 months, but this is not in the legislation. Considering the impact of these measures on people with disabilities, such ambiguity is unacceptable.

There is no time limit in the legislation and the length of participation would appear to be at the discretion of the government. It is unclear whether providers will be required to contribute to the disability support pension qualification assessment and what the nature of this contribution might be. This is an important issue. If providers become gatekeepers for the DSP it could impact on their relationship with their clients and their willingness to disclose information. It is unclear how and when a reassessment for the disability support pension will take place.

There is ambiguity around how long people will be on programs of support, what criteria will be used to assess and if and when people will be reassessed to go on the DSP. Consistent numbers could not be provided by the government during the course of the Senate committee's inquiry on how many people would eventually be placed on the DSP after initially being rejected. Figures later provided by the department differed from those provided earlier without clear justification. Essentially, this bill unnecessarily subjects people with disabilities to financial hardship for an extended period of time. It is a cost-saving measure designed to keep people off the disability support pension and make them try to survive on Newstart. ACOSS, the Australian Council of Social Service, writes that:

... since the alternative payment (Newstart Allowance) is at least $128 per week less than the
pension, the Bill would deprive the majority of applicants (those with low employment prospects who still have an ongoing need for income support) of additional income to help them meet their basic living expenses. At $237 per week for a single adult, the Newstart Allowance is inadequate to pay for the essentials of life.

They go on to say that:

Given that most people with disabilities face additional costs (for example, transport or medications), and will incur additional costs while participating in a ‘program of support’ (for example travel costs), it is likely that many applicants would struggle financially until such time as they either secure employment or are granted a pension.

It is for those reasons that I moved the amendment that would have the effect of removing that schedule, and there are further amendments relating to another schedule.

Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (10:36): As the member for Melbourne has just outlined, these amendments remove entirely two of the measures in this bill. I will just speak first to the ones that change the assessment qualification for the disability support pension. These amendments from the member for Melbourne would remove entirely the assessment qualification for disability support pension from the bill.

This legislation, from the government's point of view, is a very important step towards ensuring people with disability get the help that they need to get a job. The disability support pension provides essential income support for people who are unable to support themselves. That is why the government has delivered record increases to the disability support pension and has enabled manifestly disabled applicants for the DSP to get their claims fast-tracked so that they can get their support more quickly. But we can do better than a lifetime spent on welfare for Australians who have some capacity to work. The average length of time people receive the disability support pension is almost 12 years. Currently, many people come onto the disability support pension without testing whether they can be assisted through tailored support such as disability employment services. The new requirements mean that applicants for the disability support pension, other than people with a severe disability, have to show they have tried to get help to find work or to build their capacity before they can be eligible. It could be a different job to the one that they were doing before or some new training or special assistance, but the key for the government is that people get help first.

All of us know that a job provides more than a pay packet: it gives dignity and purpose and connects people to their community. The government will make sure that people with disability have every chance to access these opportunities. The changes in the bill make sure that assessments for the disability support pension focus on people's ability, not their disability. They will help people with disability get back to work wherever possible. The government will not be supporting these amendments.

Mr ANDREWS (Menzies) (10:38): These are—

Mr Martin Ferguson: Talk about flat-footed.

Mr ANDREWS: I was just interested in the interjections by the Minister for Resources and Energy. I am always interested in anything that the minister, who is across the table, says.

The DEPUTY SPEAKER (Mr KJ Thomson): The member should not be interested in interjections.

Mr Martin Ferguson interjecting—
Mr ANDREWS: He always makes a lot of sense. I am always all ears to what he has to say about a variety of subjects, not only this one. His views on things are not always in accordance with what his own government sometimes seems to be projecting about issues like the carbon tax. So I am listening to any interjections that he might have to put forward on this.

Mr Martin Ferguson: I did not know a carbon tax came into family assistance.

Mr ANDREWS: It does, in a very significant way. I must respond to that interjection from the minister when he says that he did not know that a carbon tax came into matters affecting families. The reality is that if the government is successful in introducing its carbon tax this will be yet another major hit on families in Australia. As I said in my comments in the second reading debate, Australians are already facing a 51 per cent increase in their electricity bills, a 13 per cent increase in their food bills and a 24 per cent increase in their education expenses. The people here in the gallery and those listening to and watching this broadcast are no doubt concerned about the cost of living for ordinary Australian families. That is important in the context of the Family Assistance and Other Legislation Amendment Bill because this will hit some 2.1 million Australian families. What we effectively have is a freeze in the indexation of their family tax benefit parts A and B— their supplement to those benefits. A three-year freeze in those benefits means that in real dollar values they are losing money as a consequence of this precise piece of legislation that we are debating at the present time.

What the minister raised by way of interjection is pertinent to this legislation. It is pertinent to the matters which are before the House at the present time. One thing that Australian families do not need right now is any further increase in their cost of living. If their cost of living is further adversely impacted as a result of this legislation, that is going to be a further cost on top of the 51 per cent increase in electricity prices we have seen in Australia, a further cost over and above the increase in rents we have seen right across this country and a further cost on top of the increase in education expenses, food expenses and transport expenses. All of these things for ordinary Australian families are going up month by month and we have seen that occur since the government was elected in 2007.

Here we have another direct slug on Australian families as a consequence of the freeze in indexation. That means that, because of inflationary pressures, which are already in the economy, the real cost to Australian families is going to be significant. It is significant that they will not get hundreds of dollars because of this freeze which is being imposed by this government in this legislation. So the interjection by the Minister for Resources and Energy, who is at the table, is important.

Mr Martin Ferguson: Speak to the bill.

Mr ANDREWS: I am speaking to the bill. This is a slug on Australian families, and he probably more than anybody on the other side of this chamber understands that the resource costs are going to be significant in not only what has been occurring over the last few years but also, if we get a carbon tax, the enormous additional cost for Australians. That is why we raised these concerns in the second reading debate. That is why I am raising these concerns again on these matters which are before the House.

Question negatived.

Mr BANDT (Melbourne) (10:44): I note, first of all, that I was the only voice for the
aye in the chamber for that amendment. I move:

(3) Schedule 2, item 2, page 5 (lines 9 to 15), omit the item.

The effect of this amendment would be to restore the indexation of the family tax benefit. Freezing the indexation of these supplements could create financial hardship for low-income families. It is that concern that ultimately drives us to move this amendment. Although the indexation may in theory only amount to the loss of a few dollars a week, it is a significant amount for low-income and single-parent families.

There are over 629,000 recipients of family tax benefit on income support who will be negatively affected by this measure. The supplements were initially designed to deal with family tax benefit debt, but they are now an essential part of budget planning for low-income families. Evidence given by the Australian Council of Social Service to the inquiry into this bill confirms this. ACOSS said:

People whose families are living on, for example, less than $30,000 a year, which includes many families on income support payments, need every dollar they can get. They particularly struggle with bulky expenses such as car registration, fridges breaking down, having to move house, which frequently happens if you rent privately, and finding the bond. These unavoidable expenses often come as lump sums and the feedback we have received from members is that people find those supplements particularly useful to meet those kinds of expenses and also to repay the debts that they have incurred to meet those expenses in the past including, for example, Centrelink debts.

That was the Australian Council of Social Service, who know a fair bit about the pressures that are faced by low-income families and particularly those on benefits. My electorate of Melbourne has the highest number of public housing dwellings of anywhere in the country, and there are very many people in my electorate of Melbourne on very low incomes who will find it just that much harder to meet the cost of living as a result of the freezing of the indexation.

We heard a fair bit a little while ago from the coalition about cost-of-living pressures and forgotten families and so on. This amendment gives them an opportunity to do something about it. They moved a second reading amendment that they knew had no prospect of success. Now they can actually put their money where their mouth is and support the removal of the pausing of indexation of family tax benefit. If they do not, it will be just another in a long line of stunts and ultimately we will find Labor and the coalition agreeing yet again to take money away from those who are doing it the hardest.

We accept, as the Greens, that there is an argument for addressing the situation of family tax benefit for those who are not on low incomes, but, until we address the situation of those who are on the lowest of low incomes in this country, this is not a bill that we can support unless the schedule is removed. It is for that reason that I have moved this amendment to remove the schedule. I urge all of those in the chamber, but particularly those who for the last hour have spoken in loud voices about this issue, to support the amendment.

Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (10:48): This amendment from the member for Melbourne would remove the measure to pause indexation for three years on the end-of-year family tax benefit supplements. The measure delivers savings to the budget of $803.2 million over five years and is part of the government’s reforms to make the family payment system sustainable into the future.
As the member for Melbourne has acknowledged, the family tax benefit end-of-year supplements were introduced in 2004 to address overpayments of family payments that arise from parents incorrectly estimating their income for the year. The proportion of families with a family payment overpayment decreased from 32 per cent in 2002-03 to eight per cent in 2007-08. As a result of this change, the forgone increase in 2011-12—this is the change that we are debating—would be, for family tax benefit A, $18 per child for the year, equivalent to 35c a week, and, for family tax benefit B, $11 per family for the year, equivalent to 21c a week.

It is very important for everybody to remember that the fortnightly family payments that families rely on week to week will continue to be indexed. The member for Melbourne has raised concerns about very low income families and the impact that this will have on them. I just want to make it very clear to the House what the actual figures will be. The impact on a maximum rate single parent with two young children receiving both family tax benefit A and family tax benefit B will be $47 a year for 2011-12. This represents 0.34 per cent of their total family payments for 2011-12.

It is very important to add that these families—who are doing it toughest; it is true—will continue to see their family tax benefit payments rise with normal indexation. For this family that I am talking about, their total family tax benefit, part A and B, will increase by $12.32 a fortnight, or $321.20 a year, from 1 July 2011. This means that this family will still receive at least around $321 more in their family payments next year—and, of course, the actual amounts will vary depending on the ages of their children. If this family has a teenager aged 15 to 19 in school, this government and this parliament have supported—as I am sure the member for Melbourne is aware—a very significant improvement to family payments for teenagers. Those who are eligible may receive up to $4,200 a year in extra family assistance for their 15- to 19-year-olds who are in school. The government very plainly has been a strong supporter of the family payments system. Of course, we have added other measures that have been very important for families, such as the 50 per cent childcare rebate, the new national paid parental leave scheme, the education tax refund and family payments for teenagers, which I have just mentioned. Another issue that the member for Melbourne raises is that faced by families when they have to meet difficult expenditures that require them to find a lump sum of money. To address that the government is improving the advances arrangements in the family payments system. That measure is in the Senate right now and has received the support of the House, which we appreciate. We do understand it is an important measure to help families address what can be lumpy expenditures for them. We also believe in a sustainable and targeted family payments system, so the government will not be supporting this amendment.

(Time expired)

Mr ANDREWS (Menzies) (10:53): I indicate to the House, and to the member for Melbourne in particular, that the coalition will not be supporting his amendment. It is not that we do not have sympathy for the sentiment, if I can put it that way, underlying his amendment; hence the second reading amendment which we moved before and the House divided upon. We are obviously concerned for families in the current environment. I will not repeat what I said in my previous contribution to the debate on this bill, but we are very concerned about the rising cost of living for Australian families and the impact that this measure will have on it.
However, as the minister indicated in her remarks previously, this amendment comes at a cost of $800 million. It is incumbent upon any party that wants to be taken seriously in the Australian polity to identify where it is going to find $800 million savings. That is the discipline which we in the coalition have taken upon ourselves. We have said that, if we are going to oppose measures which the government puts forward and that opposition will lead to a cost to the budget, we will identify where the savings are going to be made in the budget in order to compensate for that loss to the budget. I say to the honourable member for Melbourne and to the members of his party that, if they wish to be taken seriously in the Australian parliament, they too should exercise that discipline and identify where savings are going to be made for additional expenditure that they outline.

If we were not in this situation, where we have seen reckless expenditure from the government over the last four years, this measure would not be necessary. But the reality is that we have to deal with the situation we have at the present time, which is that we have a government which has put the country in hock with a major deficit and a ballooning debt. All of those things have to be taken into account and a response to any individual measure means that there has to be a corresponding indication of where the savings are. As the honourable member for Melbourne has not indicated where that $800 million will be made up then I say that if he wishes to bring forward measures like this it is the responsibility of the Greens to identify where those savings are going to be made. We have not identified where the savings are going to be made. In the future, if we are going to indicate that we disagree with an item which is effectively a saving to the Commonwealth budget and we are therefore going to impose more costs on the budget we will also identify where the savings account are going to be made up. I suspect that I am in furious agreement with the government on this matter as to the way in which the fiscal resources of the Commonwealth should be handled.

For those reasons we oppose this amendment. It is not for any lack of sympathy for the sentiment underlying what the honourable member for Melbourne has put forward by way of amendment and it is certainly not out of any lack of sympathy for the difficult situation that many families find themselves in these days with increasing costs of living, which have been driven up partly by the reckless expenditure of this government. Without rehearsing that argument here at this particular time, those are the reasons—

Mr Billson: Oh, go on.

Mr ANDREWS: I know my honourable colleague here would like to rehearse them at length, and I could, but I had some leeway given to me before to rehearse that argument. I will not do that again.

Mr BANDT (Melbourne) (10:56): To take up comments made by both of the previous speakers, the Greens approach to this budget has been one of economic responsibility. We have made it absolutely clear, to answer directly the point made by the member for Menzies, that we are not going to propose measures that would have a cost on the public purse without identifying places from which their funding could come from. One of the points that we and others have made is that, increasingly in this budget—this budget which was a missed opportunity to make Australia fairer economically—we and other observers are finding that on questions of economic orthodoxy it is actually the Greens who are most aligned with the recommendations as to
what would be a sensible economic framework for Australia.

In particular, we are the only ones in this parliament who are now advocating Treasury’s original proposal for a super profits mining tax. Had there not been the cave-in from the government that there was on that tax we would be receiving additional revenue in the order of $10 billion per year. The cave-in, compared with the Treasury proposal, has taken out somewhere in the order of $100 billion over the next decade, which we are now going to have to make up through measures like this. So if the question is where we would find the money from the answer is that we would do what Treasury suggested we should do, and get a fair return to the Australian people from the minerals that Australians own and that we get to dig up and sell only once. If we did that, we would not have to have these debates about how we take money away from families and how we take money away from the poorest of the poor and from those who are doing it the toughest on disability support pensions.

Putting that aside, this budget continues an enormous amount of expenditure on ill-directed subsidies to fossil fuel and mining sectors that are ill deserved. If you want to know where we could get the money for this measure, there is somewhere in the order of $10 billion to $11 billion of subsidies that continue to be paid every year to already wealthy mining corporations, many of whom send their profits overseas. To take one example, somewhere in the order of $2 billion goes to the mining and resources sector simply so that they can buy diesel fuel tax-free. So when the ordinary Australian goes to the bowser they pay 38c a litre on their fuel and, when the very wealthy mining industry goes to buy its diesel fuel, it gets it tax-free—it does not have to pay that 38c because of a subsidy, a subsidy that the Australian taxpayers are giving directly to the very wealthy mining industry. If we get rid of that alone, just for that sector—we can keep it for farmers, for those who deserve it—we will save somewhere in the order of $2 billion. So to answer the question posed by both of the previous speakers: that is where we can find the money. But what that requires is being serious about Australia’s future economic prosperity and being serious about fairness—and it is unfortunate that this budget missed the opportunity to do that, and this bill enacts that unfairness.

Question negatived.

Bill agreed to, Mr Bandt dissenting.

Third Reading

Ms MACKLIN: by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Tertiary Education Quality and Standards Agency Bill 2011

Second Reading

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (11:02): I present the revised explanatory memorandum for this bill and I move:

That this bill be now read a second time.

The Tertiary Education Quality and Standards Agency Bill 2011 lays the framework for a new, national system of quality assurance and regulation for higher education.

This bill establishes the Tertiary Education Quality and Standards Agency, or TEQSA, as a single national regulatory agency for higher education.

This bill was introduced into the Senate by the Hon. Chris Evans, Minister for Tertiary Education, Skills, Jobs and Workplace Relations.
The establishment of TEQSA is a key part of this government's higher education reforms that were announced in the 2009-10 budget.

These reforms respond to the findings of the Review of Australian Higher Education led by Emeritus Professor Denise Bradley. Professor Bradley's review called for a new approach to higher education resourcing and funding, including the move to a demand-driven approach in which funding for undergraduate student places is based on student demand.

In the forthcoming period of rapid growth in higher education, we must be confident that the quality of education that Australian students are receiving can be assured.

The establishment of TEQSA will ensure that the expansion of our higher education system will not come at the expense of quality.

For the first time in Australia, quality assurance and regulation will be carried out by a single agency.

By replacing the current state and territory based systems for registration and course accreditation and the quality assurance functions currently carried out by the Australian Universities Quality Assurance Agency, TEQSA will reduce the number of federal, state and territory regulatory and quality assurance bodies from nine to one.

I now turn to the specifics of the bill.

The new agency will be responsible for carrying out regulatory functions including registration and re-registration, accreditation and re-accreditation and conducting compliance and quality assessments.

TEQSA's approach to regulation will be based on proportionality and risk. In carrying out its functions, TEQSA will be required to comply with three basic principles of regulation:

- The principle of regulatory necessity, which provides that TEQSA should not burden a provider any more than is necessary;
- The principle of reflecting risk, which provides that TEQSA should have regard to a provider's history, including its history of compliance with state and federal laws relating to higher education; and
- The principle of proportionate regulation, which provides that TEQSA must exercise its powers in a way that is proportionate to a provider's non-compliance with the bill and any risk of future non-compliance.

This will allow TEQSA to focus its resources on high-risk providers and new entrants to the system, working with providers who are identified as high-risk to address quality issues and improve performance.

At the same time, the application of these principles will ensure that low-risk providers are not unduly burdened or subject to unnecessary red tape.

TEQSA will regulate higher education providers using a standards-based system.

The Higher Education Standards Framework will contain a set of national standards that support excellence and diversity in higher education.

The Higher Education Standards Framework will be developed and maintained by the Higher Education Standards Panel. The panel will be independent from TEQSA and its role will be to provide advice and recommendations to the minister for tertiary education and the minister for research in relation to the framework.

The Higher Education Standards Panel will comprise an appropriate balance of professional knowledge and demonstrated expertise in the fields of teaching and learning, research and research training, regulation or standards setting.
TEQSA will be governed by a chief commissioner, two full-time commissioners and two part-time commissioners.

The states and territories will continue to play an integral role in higher education once TEQSA is established. The government recognises the important role that the states and territories play in the provision of higher education and the bill reflects this.

The capacity of states and territories to establish or disestablish universities will remain unchanged by the introduction of TEQSA. New public universities will continue to require legislation in their jurisdiction to be established.

Importantly, TEQSA will be equipped to take real action against providers when serious regulatory breaches occur. The TEQSA bills provide for a broad range of investigative powers and sanctions, similar to those found in other Commonwealth acts such as the Education Services for Overseas Students Act 2000.

These include administrative sanctions, civil penalties and criminal offences along with appropriate search and seizure powers.

The exercise of these powers will be subject to the basic principles of regulation, outlined above.

Following the introduction of the bills, the government referred both bills to the Senate Standing Committee on Education, Employment and Workplace Relations.

The Senate committee's report, which supported the establishment of TEQSA, contained a number of recommendations, each of which were adopted by the government.

Chief among these was amending the bill to explicitly uphold the authority universities already have to self-accredit courses of study. This important amendment recognises that universities are axiomatically self-accrediting and enshrines their academic independence.

The TEQSA bills passed the Senate, as amended, with support from both sides of the chamber.

The establishment of TEQSA goes beyond the strengthening of our higher education system: it will have a far-reaching impact on productivity and participation in the years to come.

It will allow universities to grow and diversify in response to student needs, and in doing so it will open up access to higher education to a whole new generation of Australians.

At the same time, it will ensure that this growth is balanced by a commitment to maintaining and enhancing quality. I commend the bill.

Debate adjourned.

Leave granted for second reading debate to resume at a later hour this day.

Tertiary Education Quality and Standards Agency (Consequential Amendments and Transitional Provisions) Bill 2011

Second Reading

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (11:09) I present a revised explanatory memorandum and move:

That this bill be now read a second time.

The Tertiary Education Quality and Standards Agency (Consequential Amendments and Transitional Provisions) Bill 2011 gives effect to the government's intention to establish the Tertiary Education Quality and Standards Agency, or TEQSA, a new national body responsible for quality assurance and regulation of higher education.

The bill was introduced into the Senate by the Hon. Chris Evans, Minister for Tertiary
Education, Skills, Jobs and Workplace Relations.

The bill includes a number of consequential amendments to existing acts which are necessary to ensure that the new regulatory framework for higher education integrates seamlessly with existing regulatory frameworks and funding programs.

The bill contains consequential amendments to the Higher Education Support Act 2003 which recognise that once the TEQSA legislation is enacted, new registration requirements for higher education providers will apply and TEQSA will be responsible for administering these requirements.

The bill also contains a number of amendments to the Education Services for Overseas Students Act 2000. These amendments will allow TEQSA and its staff to undertake the functions relating to provider registration that were previously undertaken by the states and territories and the Department of Education, Employment and Workplace Relations.

In addition to these amendments, the bill contains a number of transitional provisions to manage the move to the new regulatory framework, including by outlining the process of registration and re-registration for existing providers of higher education.

The bill gives TEQSA the power to determine all applications for registration and re-registration that are pending at the time of transition.

To ensure that regulatory activities are not disrupted during the transition period, the bill also allows for the sharing of information and copies of records from the states and territories to the new authority.

Finally, the bill contains amendments to ensure that the quality assurance activities previously conducted by the Australian Universities Quality Agency continue under TEQSA.

I conclude by noting that the government amended the bill in the Senate to implement recommendations made by the Senate Standing Committee on Education, Employment and Workplace Relations.

Debate adjourned.

Leave granted for second reading debate to resume at a later hour this day.

**Tertiary Education Quality and Standards Agency Bill 2011**

**Second Reading**

The **DEPUTY SPEAKER** (Mr KJ Thomson): I understand that it is the wish of the House to debate this order of the day concurrently with the Tertiary Education Quality and Standards Agency (Consequential Amendments and Transitional Provisions) Bill 2011. There being no objection, the chair will allow that course to be followed.

Debate resumed on the motion:

That this bill be now read a second time.

**Mr PYNE** (Sturt—Manager of Opposition Business) (11:13): I rise to speak on the Tertiary Education Quality and Standards Agency Bill 2011, the TEQSA Bill. The relevant background to the TEQSA Bill is contained in the Bradley review’s report on Australian higher education. This report, handed to government in December 2008, outlined a broad vision for the future of the higher education sector. The key recommendation from this review was an aspirational goal of 40 per cent of Australians between the ages of 25 and 34 holding at least a bachelors degree by 2025.

As I have previously made mention in this place, including in my comments yesterday in the House with respect to the Higher Education Support Amendment (Demand Driven Funding System and Other Measures)
Bill 2011, the coalition have agreed to support this target. There is a key challenge that lies ahead of us, however. Increasing the participation level to 40 per cent will require a considerable increase in the intake of undergraduate students at Australian universities. It is thought to be approximately an additional 220,000 students annually, which means there is great concern in the sector that educational standards may decrease in order to fulfil this goal. There has also been a concern about the quality of some of Australia's non-university higher education providers which has created flow-on reputational effects for the major university providers, especially in relation to international students, who offer a critical revenue stream for universities.

To counter these concerns, Bradley recommended the creation of one single national standards agency. The standards agency was suggested in order to take on the regulatory functions of the current state based agencies and provide a new national basis for regulation and quality assurance. In May 2009, in response to the Bradley review, the government announced they would accept this recommendation. Shortly thereafter, the then Minister for Education, Julia Gillard, announced the intention to introduce legislation to create the Tertiary Education Quality and Standards Agency, colloquially known as TEQSA. In response, the coalition gave its in principle support to this recommendation to create a national regulator for the higher education sector. TEQSA will reduce the number of standards agencies from nine, which is currently one for each state, one for the Northern Territory and one which is the federal regulator. They will become just one.

The principle that underpins this bill is that TEQSA is to take a risk based and balanced approach to its regulatory activities. The TEQSA Bill makes amendments to the following existing legislation: the Education Services for Overseas Students Act 2000, to provide TEQSA and its staff with the ability to undertake functions relating to provider registration and monitoring; and the Higher Education Support Act 2003, to recognise new registration requirements for higher education providers. The bill also provides for the relevant transition of functions from the current state and territory regulatory authorities to the new agency.

There has been a lengthy process in drawing up the legislation. During stakeholder consultations in 2010, there was initially widespread concern with parts of the proposed legislation. This resulted in the government delaying introduction of the TEQSA bills, and a draft bill was released for consideration in February 2011. In March this bill was introduced into the Senate by the Minister for Tertiary Education, Skills, Jobs and Workplace Relations, Senator Chris Evans, and was immediately referred to the Senate Education, Employment and Workplace Relations Legislation Committee.

The explanatory memorandum states that TEQSA will have appropriations of $54 million between commencement of the legislation in 2011 and 2014.

The coalition cautiously welcomed the legislation at first glance, as we support the central idea behind the legislation, which is that our higher education system is simply too small to continue to have a multitude of regulatory authorities. We recognise that robust national standards in Australia are required so that any student undertaking a higher educational qualification can then be assured that they are getting an excellent and valuable education, regardless of which state or territory they choose to study in.

But, with this bill, it was critical to have a Senate inquiry and I am pleased that my colleague in the other place Senator Brett
Mason insisted on an inquiry. Not only did this bill need the close and thorough scrutiny of the parliament but it was also essential so that the various stakeholders who may be affected by these changes had ample opportunity to make wide-ranging submissions about this process.

The Senate committee tabled its report on 10 May 2011. The report supported the bill, subject to certain amendments, which have been incorporated by the government into this bill before the House today. Specifically, seven recommendations from the committee report were incorporated. Recommendation 1 is:

… that the primary TEQSA Bill be amended to explicitly provide that universities have the authority to self-accredit courses of study, except where TEQSA limits or removes that authority consistent with the basic principles of regulation stated in Part 2 of the TEQSA Bill.

Recommendation 2 is:

… that the Intergovernmental Agreement to be negotiated between the federal, state and territory governments include protocols for communication between TEQSA, state and territory governments to ensure that the process of registering new universities by TEQSA proceeds in parallel with the process of establishing universities through state and territory legislation.

Recommendation 3 is:

… that the higher education sector be consulted on the development of the Standards Framework prior to the setting of the Standards by the Minister.

Recommendation 4 is:

… that the definition of Threshold Standards in section 5 be amended so that it does not include subclause (c) any other standards made under paragraph 58(1)(e).

Recommendation 5 is:

… that clause 167(2)(b) of the TEQSA Bill be amended to include reference to the interests of staff working in the higher education sector.

Recommendation 6 is:

… that the Bill be amended to provide for a nine month maximum period for TEQSA to accredit a course under sub-clause 49(2) and a further nine months under sub-clause 49(3).

Recommendation 7 is:

… that the National VET Regulator work closely with TEQSA, once established, to harmonise and streamline the regulatory approach for multi-sector providers in advance of any future decision to combine TEQSA and the National VET Regulator in a single regulatory agency.

I believe the first recommendation is particularly important to address, with appropriate amendments. As noted in the committee's report:

Self-accreditation refers to the ability to enjoy academic autonomy in determining both course and degree content. The notion carries both symbolic and substantive weight, and is a central characteristic of universities as independent institutions of knowledge and learning. As the peak body for Australia's universities, Universities Australia strongly expressed its concern that "the overall implications of the Bill for university autonomy remain unclear." Universities Australia also pointed out that self-accreditation was a first order principle of universities, and as such should be included in the primary, not secondary, TEQSA legislation.

I am particularly pleased to learn that the concerns regarding the provisions in relation to the self-accrediting status of universities have been subsequently fixed. Until the coalition called for a Senate inquiry, some stakeholders were shut out of the government's highly secretive consultative process, but I am pleased to note the committee's work has resulted in a vastly improved bill that we can now support.

I would particularly like to point out that this bill would not be in its current shape without the efforts of my parliamentary colleague Senator Brett Mason, shadow minister for universities and research. Senator Mason put in many hours of
consultation on behalf of the coalition in the lead-up to this bill being passed. He has travelled all around Australia, engaging with universities about this issue and many others facing the sector, something that I would suggest his government counterpart Senator Evans failed to do, given the many concerns from stakeholders that were raised with Senator Mason and me over the last year. This is reflected in the comments made yesterday by Professor Denise Bradley AC, in her capacity as interim chair of TEQSA, when she welcomed its passing in the Senate. I note she was pleased that 'both sides of politics, the educational bureaucracy and sector representatives have been ready to work cooperatively and responsibly'. The provisions in this bill are far reaching. They will affect not only universities but also other higher education providers. The new regulatory agency will have powers that no other regulator has possessed before. Stakeholders, particularly higher education providers, overwhelmingly support the establishment of TEQSA. They support it particularly as it will not only simplify their regulatory arrangements but also help to protect brand Australia in the international education industry, which remains one of our largest non-minerals export industries. Given that education is our fourth largest export industry and a key driver of economic growth and productivity gain, it is important that this reform for our higher education system was given as much attention as possible by this parliament in order to get it right. I commend the bill to the House.

Mr CHEESEMAN (Corangamite) (11:22): I am very pleased to rise today to speak on the Tertiary Education Quality and Standards Agency Bill 2011. The Gillard government is committed to improving the quality and integrity of our higher education system. In 2008 we initiated a review to examine the ability of our higher education system to meet the needs of the Australian community and economy. The release of the Australian higher education review, known as the Bradley review, was a milestone achievement. The findings of the review and the recommendations made by the expert panel led by Professor Bradley called for a shift in the current funding and resource arrangements for our higher education system to place students at the centre of our system. The Bradley review was the catalyst for a package of reforms announced by this government in 2009-10 to support its productivity and participation agenda, which is something that it has built on again with the release of the recent budget.

The transformation of our higher education system is central to achieving our vision of a stronger and fairer country. Our reforms set new targets for higher education participation and access along with increased resources for teaching, learning and, importantly, research. At the centre of our reforms we are moving to a demand driven approach for funding undergraduate student places. This is something that I certainly welcome as the federal member for Corangamite. Within my electorate I have Deakin University, and they are certainly expecting a very substantial increase in the number of places that they offer as a consequence of this reform. Deakin University are the largest employer in my electorate and certainly contribute a lot to the life of Geelong. This will free up universities to make the right strategic choices to better deliver on their unique goals and to meet the needs of their student bodies. It will encourage diversity and specialisation, which will allow universities to play to their strengths. It will also help transform the scale, potential and quality of our universities and higher education providers, allowing them to grow in the sector and
opening up doors to higher education for a whole new generation of Australians.

As we enter a period of rapid growth of enrolments in universities and higher education institutions in Australia, it is important that we as a government and as a nation have confidence in the quality of the education that students are receiving and that there are assurances around this. This bill establishes the Tertiary Education Quality and Standards Agency, otherwise known as TEQSA, as a single national regulatory and quality assurance agency for higher education. Using a standards based approach for regulation, TEQSA will require institutions to meet or exceed threshold standards in order to register and deliver higher education in Australia. This will ensure that the expansion of our higher education system will not come at the expense of quality. TEQSA will combine the regulatory activities currently undertaken at this stage by states and territories. This government believes in a single national approach to education reform, and I think this will lead to that happening.

I now turn to the specifics of the functions undertaken by TEQSA. TEQSA will undertake a variety of regulatory functions, including registration and re-registration, accreditation and re-accreditation, and compliance and quality assessments. TEQSA's regulatory approach will be based on proportionality and risk. To support this approach, the government has established a set of basic principles for regulation which TEQSA must adhere to in all of its functions. The principles include the principle of regulatory necessity, which provides that TEQSA should not burden a provider more than is necessary in the functions which it undertakes; the principle of reflecting risk, which provides that TEQSA should have regard to a provider's history, including the history of compliance with state and federal laws relating to higher education; and the principle of proportionate regulation, which provides that TEQSA must exercise its powers in such a way that it is proportionate to a provider's noncompliance. TEQSA will be required to tailor its regulatory actions in order to comply with these principles. Importantly, TEQSA will have the power to undertake enforcement action to address quality issues where necessary. As a statutory agency, TEQSA will be subject to the Financial Management and Accountability Act 1997 and its staff will be engaged under the Public Service Act 1999.

The Higher Education Standards Framework will incorporate national quality standards and benchmarks. These will be central to ensuring that the bar for entry to the higher education sector is sufficiently high and will provide a solid base of performance from which all providers can build excellence and diversity.

As I mentioned earlier, I am very proud to be one of a number of members in this place who have a Deakin University campus in their electorate. Deakin University was of course established in Geelong back in the 1970s and has rapidly grown since then. The university has informed me that it is planning on taking full account of the opportunities to grow its student base over the coming years. I certainly look forward to working closely with it to assist, wherever I can, in enabling it to grow and continue to perform a vital educational set of opportunities for people not only within my electorate of Corangamite but from the seat of Corio and from the federal seat of Wannon, to the west.

Establishing a national framework that deals with quality of our universities makes enormous sense. There is of course some risk that if universities grow too quickly without having some regard for quality those institutions might slip. By putting in place...
these reforms I think we can grow university student numbers but do it in a way that is sustainable and ensures we have a quality based system. As a consequence I commend these bills to the House and commend the work that has been undertaken by all of our education ministers in making sure that we grow opportunities for all Australians.

Mrs PRENTICE (Ryan) (11:31): Australian tertiary education is consistently ranked as amongst the world's best, attracting more international students than does any other country, as a percentage of the population. In fact, education is Australia's third largest export, second only to coal and iron ore. Recently, however, there have been worrying reports of international concern that the standard of Australian universities is not as high as that of our competitors. This concern was discussed as recently as 16 June in the Australian's higher education supplement.

This is why the Tertiary Education Quality and Standards Agency Bill 2011 is of great importance. It aims to ensure the quality of all higher education providers by reducing the number of federal, state and territory regulatory bodies from nine down to just one national agency, the Tertiary Education Quality and Standards Agency, known as TEQSA. Using a standards based approach to regulation, higher education providers will be required to meet or exceed a threshold standard if they are to be registered in Australia. This issue is of particular importance to me, given that my electorate of Ryan is home to the University of Queensland.

I take this opportunity to congratulate Brisbane City Council and Brisbane Marketing on their initiative Study Brisbane, which is an initiative led by Gordon Scott at Brisbane Marketing that promotes the quality tertiary institutions we have in the city of Brisbane as well as holding an annual Brisbane Welcomes International Students day. It has also recently initiated a student ambassador program where students from other countries regularly twitter their experiences in the city of Brisbane back home to their friends overseas.

Quality assurance is hugely important to the sector, particularly in this time of great change. Over the past few years we have experienced a very turbulent time with regard to international students. The negative effects of this government's mismanagement of the international students sector are stark and have been detrimental to the sector as a whole. As reported in the Australian in May last year, the sector saw a 40 per cent decrease in overseas student applications in one month alone. At the time, Stephen Connelly of the International Education Association of Australia cautioned that, should this decline continue, the sector could lose up to 35,000 jobs by the end of 2011. One year on, these statistics have not improved, with the Sydney Morning Herald reporting in February this year that the number of international students choosing Australia for their degree has continued to fall. Student visa applications from outside Australia decreased 32 per cent over the last six months of 2010 compared with 2009, which had already fallen 22 per cent compared to the same period in 2008. Given that it is estimated that international students generate approximately $12.3 billion value added to the economy annually and given declining rates of international student enrolment, it becomes more and more clear that the bill before us today is a positive and necessary step towards quality assurance for the sector. It is also a very timely measure given the changes currently occurring in the system.

Earlier this week the House debated a substantial change with the move to a
student-demand-driven system for universities. I spoke on the bill at the time, highlighting the importance of tertiary education and supporting the Bradley review recommendation that Australia aspire to having 40 per cent of people aged 20 to 34 holding a bachelor's degree by 2025. This is an ambitious but noble target. Tertiary education enriches lives, enables higher earning potential, increases opportunities, teaches the ability to analyse and encourages and enthuses people about learning. The student-demand-driven system supports this aim and will help to achieve it; however, a target of 40 per cent participation would necessarily mean a huge influx of students into our university campuses. The question must be asked as to how this will be funded and how our universities will be supported to provide the extra infrastructure and resources necessary to cater for this influx of students.

This raises alarm bells with me as we have often seen a grand idea, usually one with merit, fall foul of this government's problematic track record of bungled implementation. This unfortunately has been quite apparent in education. The BER, promising new school halls and libraries around the country, in many cases delivered failed projects such the hall at Mount Crosby State School, in my electorate of Ryan, that requires a huge budget blowout simply to build a fourth wall. The last time I looked at a building, most of them do need four walls! Furthermore, every schoolchild was promised a laptop computer under—

The DEPUTY SPEAKER (Ms AE Burke): The member for Ryan will turn to the bill before her. There is the matter of relevance. It seems to have been slipping from everyone's speeches lately. I ask her to address the bill before her now.

Mrs PRENTICE: And on both sides of the chamber, Madam Deputy Speaker.

The DEPUTY SPEAKER: I do not dispute that.

Mrs PRENTICE: The government's record shows that they think of a grand idea, make a rushed announcement and little further thought is put into the matter. I am concerned that, with the scale of changes taking place in the higher education sector, implementation may yet again prove to be where a good and necessary program fails. I believe these changes are important and will be very disappointed to see that happen.

I hope that today's measure of introducing a single national quality assurance regulatory body will help to ensure implementation failure does not occur. The government has changed its approach to this legislation by actually listening to and extensively consulting with the industry and adopting the changes that were suggested. I pay tribute to the pressure put on by Senator Brett Mason in the other chamber to insist on this wider consultation. This took the original form of this bill from an overprescribed one-size-fits-all regulatory body that was first suggested in relation to TEQSA to a very workable system that has the potential to provide real change to the sector. I am encouraged by this change in the government's attitude and hope that genuine consultation and the process will continue. As we can see from the outcome of this bill, it is certainly a helpful process that delivers a positive change for all Australians.

The quality of our higher education system is of great importance to the sector. Without it, we risk losing the valuable contribution made by international students. We risk our graduates not being regarded with the calibre of their international counterparts and we risk the reputation of our wonderful university system. We should be proud of the success of our universities and graduates and support them through this
time of change. TEQSA is a positive initiative in the reform of higher education and I commend this bill to the House.

Mr NEUMANN (Blair) (11:39): I speak in support of the Tertiary Education Quality and Standards Agency Bill 2011 and the Tertiary Education Quality and Standards Agency (Consequential Amendments and Transitional Provisions) Bill 2011. The member for Ryan in her speech was critical of the government in relation to the number of people attending universities. The simple fact is that since we were elected in 2007 an extra 80,000 undergraduate students have received the opportunity of a university education. That figure alone indicates our commitment to tertiary education, and the legislation here before the House again builds on that commitment.

We want a just and productive Australia. We want a prosperous Australia committed to economic development, productivity and the best high-paying and high-skilled jobs that are available. That is why we have focused strongly on higher education, because we believe that higher education transforms the quality of people's lives and enhances their potential. We believe that a university place gives a person the opportunity in life that they could not have if their circumstances were such that their financial capacity could not afford it, their familial history did not support it or their experience did not dictate that university hitherto was an option.

We strongly believe that the opportunity to attend university really gives a person not just a broadness in their thinking but also a financial security that they would not have otherwise. In a landmark reform, we have committed ourselves to lifting the caps on undergraduate university places. The legislation here demonstrates our commitment to the whole system by underpinning a robust quality assurance and regulatory framework which will put a renewed emphasis on student outcomes and the quality of student experiences.

That is why we have committed $70 million over four years to establish this new regulatory framework. We believe this will enhance the quality of education at the tertiary level. The new Tertiary Education Quality and Standards Agency will, we believe, remove the eccentricities and oddities of Federation with respect to regulatory systems in the university sector. We believe that in this day and age, in the 21st century, one body and one body alone should govern the regulatory arrangements for universities.

We are pleased that we have got bipartisan support for this and that the sector has played a constructive role in offering suggestions to enhance the capacity of the new body, TEQSA. This will make a big difference, because if every stakeholder has a say and has a vested interest in how this will go then the agency will deliver on the expectation of it and that universities across the country will improve.

Higher education is not just about giving young people opportunity, enhancing the next generation of students and providing the promise of a high-skilled and high-wage job but also about improving the capacity of our economy to withstand things like the global financial crisis. We have made an enormous contribution with close to $4 billion in the budget for this sector. Our higher education sector is crucial to economic prosperity. Ensuring it functions with quality assurance is absolutely essential.

We are following the recommendations of the Bradley review in this regard. Clearly, a national approach is needed, and this was the recommendation. A national approach which underpins domestic and international confi-
dence in higher education is crucial because students from overseas play an important role in the sector and engage in high levels of achievement and attainment. You only have to attend a university in any electorate to see that that is the case. I have two universities in my electorate: the University of Queensland has an Ipswich campus and the University of Southern Queensland is at Springfield. I commend the work that they do. I know from speaking to university educators, officials and administrators that they are very much of the view that a national approach to regulation and quality assurance is the right way to go. They are supportive of our demand driven proposals. They are also supportive of the increase in student participation and the consequent numbers we have seen. But they are also supportive of a consistency in national standards and regulation because they believe—and I concur—that this will benefit the higher education sector. This approach means our reputation for higher education and training is assured. If we have consistency in standards and regulations, our international competitiveness is protected and enhanced. If you are a student who has graduated from the University of Southern Queensland in Springfield, for example, and you want to work overseas, recognition of, say, your bachelor's degree in business or your qualification in teaching or in some other area gives you the opportunity to work overseas. This enhances your capacity for gainful employment overseas and it also builds on your reputation locally. Global economies continue to adapt to changing requirements; it is a dynamism which we never thought of in the past. These days you can click a button and transfer money across continents. A student can qualify in teaching or physiotherapy here and work overseas in ways that their grandparents and great-grandparents never thought possible.

Overseas travel is so common for university students and our young people today that in some countries it is talked about as being OE—overseas experience. Students deserve to have confidence that their bachelor's degree really means something and is acknowledged around the world.

The legislation will ensure students or prospective students will have access to information relating to higher education in this country so that they can make decisions about the quality of university they attend and the quality of the course they undertake. It can help them make decisions about their academic progress and whether they go to a particular university or do a particular degree. Establishing that kind of confidence in the higher education sector is critical in terms of a competitive academic environment, but it does require thoughtful and careful regulation. TEQSA's approach will be proportionate and risk based. Principles in the legislation are focused on three areas: regulatory necessity, so as not to place unreasonable burden on a particular higher education provider; reflecting risk, in that the agency must consider a range of factors when exercising its power; and exercising proportional regulation.

In practice these principles mean that this body is not going to be a dictator; it is going to be a regulator, and that is the difference. It is not going to lord it over the sector like the previous government did when it imposed legislation such as Work Choices on the sector—something that those opposite always forget. With these principles, we think the legislation will go a long way to enhancing high-quality education. TEQSA will operate as an independent body, at arm's length from the government and the minister. The legislation expressly prohibits the minister from giving a direction to a higher education provider, and that is a good and noble thing as well. Of course, TEQSA will
give directions free from political interference. The minister can only give directions to TEQSA where that is deemed necessary to protect the integrity of the higher education sector. The agency, TEQSA, has the capacity to register and reregister higher education providers, to accredit and re-accredit courses of study, to conduct assessments, to monitor, to enforce compliance, to investigate actions, to make recommendations to the minister and to collect, analyse, interpret and disseminate information—all worthy aspirations, good objectives and good functions in the legislation.

I also commend in the legislation the establishment of the Higher Education Standards Panel. Its members will be responsible for developing standards and advising and making recommendations to the minister and to TEQSA. The panel will be independent of TEQSA’s governance and will report directly to the minister. The panel members will have a chair and between four and 10 others will be appointed by the Minister for Tertiary Education, Skills, Jobs and Workplace Relations in consultation with the Minister for Innovation, Industry, Science and Research.

The smooth transition to TEQSA is a key priority of this government. The bill provides amendments to existing Commonwealth legislation and transitional measures to ensure the smooth transition of functions from the states and territories to TEQSA. The extensive checks and balances in the bill will ensure that TEQSA considers risk in making regulatory decisions. The establishment does not affect the states’ and territories' ownership of universities or their capacity to establish universities. Disseminating best practice is also a focus of the national system. TEQSA is all about making the sector better and more competitive; it is about making things simpler, clearer, more streamlined and consistent. It will be important for the higher education sector to meet the standards required by home-grown and overseas students. The legislation is warmly welcomed by the university administrators as well as the universities in my electorate and those across the country. I commend the legislation to the House.

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (11:49): I thank all members for their contribution to the debate, and I certainly want to reflect on the remarks made by the member for Blair, who pointed out the approach that the government have taken to make sure that we enable our tertiary students to reach their full potential through their education in our universities.

The Tertiary Education Quality and Standards Agency Bill 2001 and the Tertiary Education Quality and Standards Agency (Consequential Amendments and Transitional Provisions) Bill 2011 establish the Tertiary Education Quality and Standards Agency, TEQSA, as a single national regulator and quality assurance agency for Australia’s higher education sector. This is a key reform of this government’s productivity and participation agenda to transform Australia’s higher education system. With a strong focus on higher education participation and attainment, our reforms will bring about significant change to the current landscape of Australian higher education.

TEQSA will play a pivotal role in ensuring the overall quality of our higher education system. It will replace the current state and territory based systems of registration and course accreditation and quality assurance arrangements currently undertaken by the Australian Universities Quality Agency. In doing so, it will reduce
the number of federal, state and territory regulatory and quality assurance bodies from nine to one. This will provide for national consistency and efficiency in the registration of all higher education providers. Central to TEQSA are the basic principles of regulation which will ensure it uses a risk based and proportionate approach when undertaking its regulatory activity. These principles provide for TEQSA to take into account the scale, mission and history of each provider when undertaking its regulatory activities. Where poor quality is identified, the action TEQSA will take will depend on the risk of the provider and the seriousness of the contravention.

This is an important piece of legislation for Australia's higher education system. In developing the legislation, the government has benefited from the active engagement of stakeholders within the sector. The government also commends the work of interim TEQSA chair Professor Denise Bradley and interim TEQSA CEO Mr Ian Hawke, who have played an important role in planning for the commencement of the agency.

The introduction of a national system of regulation with the establishment of TEQSA is a critical step towards ensuring that the expansion and diversification of Australia's higher education sector does not come at the expense of quality. It will provide the safeguards to ensure that our students are receiving a quality education and assure the reputation of our higher education system both nationally and internationally. It reflects this government's continued commitment to create a quality higher education system that is diverse, innovative and responsive to the needs of its students.

Question agreed to.

Bill read a second time.

Third Reading
Mr GARRETT: by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Tertiary Education Quality and Standards Agency (Consequential Amendments and Transitional Provisions) Bill 2011
Second Reading
Debate resumed on the motion:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.

Third Reading
Mr GARRETT: by leave—I move:
That this be now read a third time.
Question agreed to.
Bill read a third time.

National Consumer Credit Protection Amendment (Home Loans and Credit Cards) Bill 2011
Second Reading
Debate resumed on the motion:
That this bill be now read a second time.

Ms RISHWORTH (Kingston) (11:55): I am very pleased today to rise to support the National Consumer Credit Protection Amendment (Home Loans and Credit Cards) Bill 2011 because I believe this is a crucial and important piece of legislation to protect consumers. The introduction of this bill clearly demonstrates the Labor government's ability to deliver on its election commitments. More importantly, this legislation represents a crackdown on the unfair treatment of ordinary working Australians who may use a credit card but may not be fully aware of some of the issues surrounding that. This government has
listened to the concerns of consumers, and this bill finally recognises that Australians should have more say over how they use their credit cards and that they should also be provided with detailed information clearly explaining exactly what they are signing themselves up for.

There are approximately 15 million credit card accounts in Australia. The reality is that most Australian families use credit cards as a way to perhaps meet their financial obligations, purchase things they might not be able to afford and do a range of other things. While these credit cards are very important, Australians deserve a system that has their interests in mind, not just the interests of the banks.

Credit card providers currently allow accounts to exceed their credit limits and then charge the account an over-limit fee. This process is a vicious trap that places heavy financial burdens upon Australians using this credit card facility. It is a trap that sees credit card providers gain approximately $225 million per year in over-limit fees. The reforms included in this bill will set the amount by which credit accounts can go over their limits to a maximum of 10 per cent, at the discretion of the lender, and abolish the fee that this usually attracts. This will prevent many Australians from unintentionally slipping into unsustainable levels of debt and often trying to keep up with it—if they have to pay these over-limit fees.

Another unnecessary tactic used by credit card lenders is to allocate initial repayments to the part of the debt that attracts the lowest rate of interest. This makes it extremely difficult for individuals who have exceeded their credit limits to even restore their debt to manageable levels. This bill will simply reverse this order, allowing consumers to pay off their higher interest bearing debt first.

This is a much more reasonable approach from credit card lenders and could result in consumers saving a potential $360 per year. This measure is a simple intervention that will assist many Australians with their credit card debts and ensure that others are prevented from spiralling into unnecessary and never-ending debt.

It is unreasonable for the banks to be capitalising on Australians' use of credit cards by employing financial tactics that are not made clear to consumers. This government recognises that many Australians already struggle with the cost of living. Therefore, this bill seeks to provide a little relief for these Australians by ensuring that they are protected from unfair bank fees and contract fine print.

The bill also includes measures to ban unsolicited credit limit extension offers. Such letters are often sent to consumers to provide them with the option of increasing their credit limit and in many cases result in Australian families taking on unsustainable levels of credit card debt. Consumers are bombarded with these tick-and-flick preapproval offers to increase their credit that do not provide adequate information concerning a consumer's financial health and are therefore very misleading. Unsuspecting consumers simply see an opportunity to increase their credit limit as suggested by their financial institution and approve it without properly considering the implications. I spoke already in this place about unsolicited credit increases in private members' business back in 2008. At that time it was brought to my attention by a number of constituents in my electorate that these unsolicited letters offering credit limit increases seem to be sent only when customers are paying interest on their credit card debt. For example, one constituent indicated to me that they had not had to pay interest for some time. They had regularly
paid off their credit card to the full amount each month. It was only when they got caught one month and could not pay the full amount that they attracted interest on their credit card. It was then that the automatic pre-approval was sent, pretty much identifying that when they paid interest and could not pay back the full amount—a change in their trend of normally paying off the full amount—they were automatically encouraged to increase their limit. There was no asking, 'What's happening here? How can you best manage this?' They were automatically told, 'The answer is to increase your credit limit.' This is definitely an issue that I think is very poor, because it does not properly look at an individual credit card user's history. It does not look at what they might be able to afford but instead just directly targets them to encourage them to increase their limit when they have not been able to make their regular repayments. This is a really big problem. It is something that often gets people into difficult situations.

The objective of this bill is to encourage Australians to use their credit cards in an informed and responsible manner and it seeks to empower consumers to make wise financial decisions. One of the ways it achieves this is by requiring credit card application forms to include a facts sheet to inform consumers. The sheet will provide consumers with a credit card's interest rates on purchases and cash advances, the annual fee and other relevant fees.

The bill before the House today also protects Australians from credit card debt by preventing lenders from charging fees to customers who go over their credit limit. As I have said, this is incredibly important. The bill will also introduce regulations that require lenders to warn consumers about the consequences of making only minimum repayments. This is really important because often people see the minimum repayment and think, 'If I keep just paying this it will be okay.' Increased levels of information will greatly assist householders in managing their budgets and in making informed decisions about how much they should pay off to ensure they keep their heads above water.

Many Australians often have the routine of paying back only the minimum amount. This of course leaves interest to accumulate significantly over time and forces many Australians into a lifetime of debt repayment that they will never get ahead of. It is important that consumers are informed about what the consequences are of just making these minimum repayments.

Finally, this bill also introduces a standardised one-page facts sheet that will allow customers to compare home loans. This is really important for many people who perhaps are looking at buying their first home or investing. It is a very big decision and it is very hard to compare these products. Often people feel that they have to go to mortgage brokers to help them compare these home loans. Otherwise they perhaps just go to the institution they know without properly shopping around because it is quite complicated to understand the exit fees, the entry fees, the minimum repayments and whether to take out a variable loan or a fixed loan. All of these are difficult to compare between institutions, so these one-page facts sheets will enable families to directly compare the relative costs of mortgages from different financial institutions so that they can choose a loan that suits their budget and their needs.

This reform will improve competition in the mortgage market and force banks and other home loan providers to really be clear with Australian families about the products that they are offering. This is an important reform before the House today. This bill places some power back in the hands of
consumers, making the information clear and concise, ensuring that people can objectively look at the different products that are available, whether they be credit cards or home loans, and allowing them to have some control and have information about these products. I am really pleased that it is this Labor government that has been committed to creating a fairer, simpler banking system. I believe that these reforms are part of an important step forward.

I hope that the Senate will also accept our exit fee legislation. I understand that there are some issues and the coalition in the Senate are trying to stop this. It seems a very odd situation when we here on the government side are trying to improve competition within the banking sector and trying to put choice under the control of householders. One of the ways of doing that is by banning unfair exit fees, something that I would expect both sides of the House to agree with, to ensure that there is competition within the banking sector. I hope that the Senate and the coalition members in the Senate see sense and pass that important legislation.

The legislation here before the House is one of the other important steps towards making a fairer, simpler banking system. I hope that this legislation here and the legislation in the Senate get passed because I think that they will make a real difference to local families in managing their credit and finances. On that note, I commend the bill to the House.

Mr MELHAM (Banks) (12:06): The National Consumer Credit Protection Amendment (Home Loans and Credit Cards) Bill 2011 is about protecting Australians from unfair treatment in relation to credit card debt and helping them deal effectively with the banking system. It fulfils an election commitment by the government to assist in empowering consumers. The bill, firstly, seeks to regulate the circumstances in which borrowers go over their credit card limit and to abolish fees when they do so, except where the consumer has provided informed consent to opt in. At the moment, credit card providers usually allow credit card holders to spend over their limit and charge the cardholder an over the limit fee, which currently stands at about $225 per annum. The proposed reforms will allow consumers to go 10 per cent over the limit at the discretion of the lender and abolish the fee when the consumer does so. This discretion is important so that the lender can honour a critical payment, such as for an electricity bill. Consumers will be able to opt out of this default buffer or ask the lender for a larger buffer, depending on their individual circumstances.

Second, the bill seeks to ban unsolicited invitations to extend credit limits on credit cards. Unsolicited credit card limit extension offers can result in consumers ending up with much higher credit limits where they may only be able to repay the credit debt over a long period of time. This legislation will ban unsolicited extension offers from being sent to credit card holders unless they have previously given the organisation permission to send them.

Third, the bill seeks to require credit card providers to allocate payments to higher interest-bearing debts first. Currently, when consumers make repayments on debt the lenders automatically apply that repayment to the part of the debt on which the lowest rate of interest is charged. This bill reverses that so the repayments are applied to the higher interest-bearing debt first.

Fourth, the bill seeks to ensure that credit card application forms include a clear summary of key account features. This will ensure that consumers have the information
about the key features up-front and hopefully these will be easily understood. It is anticipated that the facts sheet will include the interest rate on purchases, cash advances, promotional offers and other relevant fees.

Fifth, the bill seeks to require home loan lenders to give potential home loan borrowers a key facts sheet in order for the borrower to compare various home loans. This measure means that lenders must set out the costs of their standard home loans in a consistent and clear manner on a single page. In consumer testing of this proposal consumers found it extremely helpful and, because it was standardised across lenders, that it provided an easy comparison of home loan products.

This bill was sent to the House Standing Committee on Economics on 11 May this year. The committee recommended that the bill be adopted with one amendment. That amendment relates to the commencement date for clause 2—the key facts sheet for home loans. The committee recommended that the commencement date be amended to 1 January 2012 to allow banks more time to implement the reforms. The original date for implementation was 1 September 2011. This was confirmed by Treasury at the public hearing. The committee report noted, on page 13:

As with many reforms, there may be some teething issues and the committee would like to see some flexibility with enforcement in the early weeks. This would be especially so, given the traditionally high volume of credit transactions at the end of each calendar year.

The committee chair, the member for Dobell, Craig Thomson, noted in his foreword to the report:

The most important reform concerns unsolicited credit limit increase offers to individuals. The committee heard consistent evidence during the inquiry that the aggressive marketing by banks of limit increases was a key reason why some consumers have credit problems. The transcript of the public hearing, held on 25 May, is very interesting reading. Of particular significance was the evidence given by National Legal Aid and the Consumer Credit Legal Centre on the amount of work they do in representing people who are in debt because of credit cards. Mr Andrew Crockett, the chair of National Legal Aid, stated on page 24 of the transcript:

There was research done by the Law and Justice Foundation of New South Wales in 2006 in a number of disadvantaged areas in New South Wales and they found a very high incidence of legal events in people's lives. And 55 per cent of the events reported by respondents to that survey concerned consumer credit and debt issues. Similarly, in a more recent survey of legal needs in Australia commissioned by National Legal Aid, while we are still awaiting the final report of that survey, in the preliminary results, for the ACT anyway, we find about 26 per cent of reported legal events in people's lives relate to consumer and credit debt issues.

In essence, of the participants in the survey referred to, 55 per cent of the events were about credit card debt issues. We are all aware in this House of constituents who come to us for assistance when they are simply overwhelmed by the situation in which they find themselves because of credit card debt. Mr Coorey, a solicitor with National Legal Aid, went on to say that credit card debt is one of the most significant issues facing their more disadvantaged clients. He stated that economically and socially disadvantaged clients are more likely to end up in debt because of unsolicited credit card limit increases.

Later on in the hearing, during an interchange between Mr Braden from Wesley Community Legal Service and the member for Moncrieff—page 28 of the transcript—Mr Ciobo posed the question:
Are you saying that the most profitable group for a lender are those people who cannot afford to pay back the full balance every month? Is that what I am hearing from you?

Mr Brading replied: 'Correct.'

It is those people who are desperate to use their credit card and then find themselves only able to pay back the interest who enter into an almost unwinnable cycle of debt. Many people are in a position to pay off their credit card monthly, so the banks receive no interest from them. As Mr Brading said, it is those in the community who are in the most difficult financial circumstances that the banks benefit from, as they pay interest.

Ms Bond from the Consumer Action Law Centre provided an example—on page 29 of the transcript—of how this would occur. She said:

It is not that people get in trouble and then go out and get a credit card, but they start to get into trouble and perhaps they get a limit increase offer. Their mortgage is overdue and they have the offer, and so sometimes they accept these limit increases when they are in trouble, but it really is a combination of life events and the ease of use of credit and of increases when they are in trouble already.

The legislation before the House today also delivers on the government's commitment to introducing a compulsory one-page facts sheet for new home loan customers. There is no doubt that a home loan borrower is now faced with a bewildering array of choices when it comes to deciding the most appropriate home loan package. This is hardly made easier by the complexity of the materials provided by home loan lenders. Through the introduction of the facts sheet, the borrower will be in a better position to make an informed decision based on a side-by-side comparison. We know that choosing the best package for a home loan is one of the most important decisions that any of us can make. A mistake of half of one per cent can cost thousands of dollars, even tens of thousands, over the period of the loan. It is crucial that we have the information we need to make an informed decision presented in a format that allows easy comparison.

The explanatory memorandum provides some detail of what this facts sheet will provide, in part 3-2A. The terms of a home loan and types of contracts are usually regulated by the National Consumer Credit Protection Act 2009. The proposed key facts sheet for standard home loans will contain information and will comply with the regulations under the act. It is proposed that the key facts sheet will be prescribed by the regulations.

Chapter 2, item 2.11 of the explanatory memorandum outlines the summary of information to be provided by the facts sheet: the interest rate; the all-in rate—that is, the total cost including interest plus fees; the total cost of the home loan; particular product features; fees; and an explanation of how monthly payments will be affected if interest rates increase. With this simple facts sheet, home loan borrowers will be able to make a simple, straightforward comparison of the various options available to them.

What I find particularly pleasing about this legislation is that it comes from a COAG agreement. This is what good governance is about—states and territories working together with the Commonwealth to ensure equitable outcomes for all Australians, regardless of which state or territory they live in. I commend the bill to the House.

Mr SIDEBOTTOM (Braddon) (12:16):
The 'Money' section in the Age, in an article by John Collett on 16 March 2011 about the legislation before us, supported these reforms, noting:

The proposed new laws on credit cards should be passed by parliament as they will help to limit the dangers of the not-so-fantastic plastic.
That sums up in essence what this legislation is all about. The National Consumer Credit Protection Amendment (Home Loans and Credit Cards) Bill 2011 will amend the National Consumer Credit Protection Act 2009 to give effect to the government's Fairer, Simpler Banking policy and introduce a requirement for lenders to give borrowers a simple one-page key facts sheet for home loans to help them shop around for a better deal.

The bill delivers on the government's election commitment to crack down on what people generally believe to be unfair treatment of Australians with credit cards and to help them get a better deal in the banking system. It is intended to give a better deal to the consumer, who I would have thought was the most important person in the banking system. The bill will give consumers more say over how they use their credit cards and help them better understand what they are signing up to. This is an important reform for the many households and businesses that use credit cards, whether sporadically or every day. Credit cards are here to stay, so we want a fairer system surrounding credit cards.

The measures in this bill build on the government's new national responsible lending reforms by giving credit card holders more control over the amount of money they borrow and ensuring that they are not charged excessive fees. This is about credit limits and the fees that go with such borrowing. It is all about sticking up for consumers against the big banks, stopping price gouging and reducing credit traps for the unwary. The main measures in this bill are in the areas of over-limit fees, the allocation of debt payments and credit extensions.

What do we mean by over-limit fees? Consumers want and need a credit card market that is transparent, that competes hard for customers and has built-in protections to help stop them falling into credit card debt traps that they may not be able to get out of. As the former speaker, the member for Banks, quite rightly pointed out, those people that can least afford it are those that are trapped in credit debt. Of course, a lot of us could not survive without our credit cards, especially in terms of convenience, but a large proportion of credit card revenue in fact comes from penalty fees, which include fees for exceeding the card limit. Credit card providers currently charge approximately $225 million a year in over-limit fees. Credit card providers generally allow accounts to go over their credit limits, with the credit provider then charging the borrower what we call an over-limit fee.

The reforms will ban over-limit fees unless a consumer has specifically asked for the ability to go over their limit and has indicated that they are prepared to pay a fee for this service. Without this agreement, lenders will be able to provide credit over a consumer's limit provided no fees are charged. It is important to allow lenders this discretion. For example, it is in the interests of a borrower for their lender to honour a payment of an electricity bill so their power is not shut off. Consumers can opt out of this default buffer if that is best for them. Indeed, they may consider it would help them to manage their finances better. They will also be able to ask their lender, if they so choose, for a larger buffer if they decide they are prepared to pay a fee for this service. It is about clear, transparent communications in what is, after all, one of the major relationships that takes place in our community.

What do we mean by the allocation of repayments? The measures we are putting in place in this legislation will force credit card lenders to allocate repayments to higher
interest debts first rather than last, as it currently stands. Most credit card providers charge more interest for things like cash advances, as is their right. This bill will mean that credit card users who find that they need a cash advance for an unexpected bill, for example, will not have to wait to pay off all other credit card debt before the higher interest rate debt is reduced. The bill will reverse this order so that the consumers can pay off their higher-interest-bearing debts first, resulting in reduced interest charges. This is a very simple matter, and it is a welcome change. It is estimated that a credit card user could save $360 a year or more depending on their spending habits and credit limit. This approach has already been adopted in the UK and the United States of America. In response to the government's election announcement, the NAB has already introduced this change—all part of its marketing strategy now that it is a different bank—and that has benefits for consumers, particularly in terms of competition.

What do we mean by unsolicited credit limit extension offers? Sometimes consumers are offered credit limit extensions that require only a click of the mouse, an answer of 'yes' on the phone or a tick on a reply paid form. Only that! This can result in consumers extending their credit limits without due consideration of the implications, which may include more debt and reduced lending capacity for home loans, personal loans and so on. Some consumers think: 'The bank is offering me this limit; I must be able to afford it. Surely the bank wouldn't offer me something if they didn't responsibly think I could afford it.' Forget it.

Relatively high limits might mean a debt can only be repaid over many years, incurring considerable costs in interest and potentially causing financial difficulty, if not ruination. The legislation will ban unsolicited credit limit extension offers from being sent to credit card holders unless they have specifically given previous permission to receive them. It is better to have that box ticked 'yes' than to give a willy-nilly blank-cheque credit extension. This will make sure that lenders give consumers more say over nominating their own credit limit. The government will introduce amendments to the bill to clarify that consents obtained before commencement will be valid for the purposes of sending unsolicited credit limit increase offers.

Other reforms announced as part of the Fairer, Simpler Banking policy are intended to be introduced through regulations to the National Consumer Credit Protection Act 2009, which I mentioned earlier. These include another important measure, to ensure that lenders tell consumers the implications of making only minimum repayments, such as repayment time frames et cetera. This is a very important one. It will help consumers avoid long-term credit card debt put on the never-never, resulting in higher debts and interest payments. The calculation of interest will also be standardised within these regulations to enhance comparability between credit cards. Lenders will also be required to ask consumers to nominate a credit limit when they apply for a credit card.

What about the application forms? The bill will require application forms for credit to include a key facts sheet for potential credit card users. This will give consumers upfront information in plain English about the key features of the credit card for which they are about to apply. Such information will include the interest rates on purchases, cash advances and promotional offers, the annual fee and other relevant fees.

The greater credit package also delivers on our commitment last year to introduce a compulsory, one-page key facts sheet for new home loan customers. This will allow
consumers to easily compare loans they are offered by a big bank side-by-side with what will often be a better deal from their local credit union or building society, so people can clearly make the comparison in a table. We want consumers informed through better information so that they can compare deals, which will encourage banks and non-bank lenders to put forward better deals. Reform of the regulation of credit cards is part of phase 2 of the national credit reforms. These reforms are part of COAG's national credit reform agenda, as agreed by the Business Regulation and Competition Working Group chaired by Senator Sherry—from my own neck of the woods, Tassie—and Senator Wong.

The key facts sheet for home loans measure was part of the government's banking package, announced in December 2010. Lenders must set out on key facts sheets the costs of their standard home loans in a consistent and clear single-page format. It will allow consumers to easily compare home loans, particularly in relation to costs. Consumer testing in January 2011 showed that consumers found the information to be very helpful and that the standardised nature of the document permitted easy comparison between home loan products. Consumers who already had home loans stated a wish that the key facts sheet had been available when they were shopping for a home loan.

The prohibition on unsolicited credit limit extension offers and the election commitment to include advice about minimum repayments on statements, which is to be implemented in the regulations, will apply to both new and existing credit card contracts. That is a very important point to make. It will also involve and apply to existing credit card contracts. The government has strong legal advice from the Australian Government Solicitor that this is appropriate, because these reforms do not affect the original contract signed between the lender and the borrower. Finally, this government has a terrific record in maintaining a more competitive and sustainable banking system. Let me remind members of the House: banning exit fees outright on new home loans from 1 July 2011, boosting consumer flexibility to transfer deposits and mortgages, introducing a mandatory key facts sheet for new home loan customers, empowering the ACCC to prosecute anticompetitive price signalling, fast-tracking legislation to get a better deal for Australians with credit cards and the launching of a national community awareness campaign to empower consumers in banking. I want to remain positive about not just this legislation but our record, so I will not raise the opposition's very poor and inconsistent record of assisting consumers with credit cards, loans and home loans. I commend the legislation to the House.

Ms LIVERMORE (Capricornia) (12:30): The National Consumer Credit Protection Amendment (Home Loans and Credit Cards) Bill puts in place a series of measures that fulfil the government's election promise to deliver a fairer and simpler banking system, a banking system that works for borrowers and credit card holders and other bank customers rather than simply growing profits for the banks.

The measures in this bill include improvements to credit card contracts and banking practices such as banning unsolicited offers to borrowers to increase their credit limit, preventing banks from charging fees to customers who go over their credit limit and including a warning on monthly statements about the costs of only paying minimum repayments off credit card debt.

The bill builds on the substantial work we have done in the area of banking reform and consumer protection since coming to office in 2007. That work has been supported by...
the Council of Australian Governments and is motivated by the recognition by this government that the interests of consumers were not adequately protected against the enormous market power of the banks. Reforms since then have been designed to drive greater competition in the banking industry through providing customers with more information and more power to exercise their rights as consumers. Ultimately we want these reforms to reduce people's debt and save them money.

The bill amends the National Consumer Credit Protection Act 2009. That was landmark legislation which for the first time established a national consumer credit regime. Among other things that act provides for responsible lending conduct requirements on financial institutions. That means banks and other lenders are not allowed to provide credit products and services that are unsuitable for the consumer's needs and that the consumer does not have the capacity to repay. It also includes enhanced enforcement powers for ASIC and expanded consumer protection.

We always recognised that there would be more work needed to help consumers better manage their financial arrangements and to protect them from banking industry practices that relied on a lack of transparency and that risked creating debt traps for consumers. During the last election we announced our Fairer, Simpler Banking policy which takes our banking and consumer reforms further and particularly focuses on giving people a better deal on their credit cards. Credit cards have become a fact of life for most Australians. There are around 15 million credit card accounts in Australia today and many individuals and families have more than one card. Credit cards can be a convenient way for people to shop and are indispensable for many transactions, especially those carried out over the internet. They are also a source of enormous revenue for banks in both interest charges and fees. Both of these points are good reasons for the government to give special attention to credit cards and give consideration to appropriate regulation for that part of the lending sector.

There is also growing evidence that credit cards warrant such regulation going beyond the responsible lending obligations already in place. Credit cards have a number of unique features that can lead to problems for bank customers. They have high interest rates and holders are only required to repay a relatively small amount each month. Many customers can make that arrangement work for them but it can also mean that credit card debts can mount up very quickly and result in people paying interest month after month with little capacity to repay the principal. Credit cards are also the subject of particularly aggressive marketing by lenders, which often obscures the full financial implications of what is being offered to people. Given all of that, it is not surprising that financial counsellors and those working with struggling families—organisations like Wesley Mission—name credit card debt as the 'No. 1 cause of financial stress and consequent psychological problems'.

This government wants to make sure that Australian credit card holders can get the benefits of having a credit card without leaving themselves open to excessive fees and interest charges. That requires consumers to be fully informed about how their credit card operates and it requires lenders to provide information that can be easily understood and compared to other products in the market. The additional requirements on financial institutions contained in this bill were made plain during the election and since then there has been extensive consultation by Treasury with the banking sector and consumer representatives. There has also been an inquiry conducted by
the House of Representatives Standing Committee on Economics which resulted in
a unanimous report recommending support for the bill before us today.

During the course of the consultations, and in submissions put to the inquiry, there
was a lot of resistance to the bill coming from banks and other lenders. It is easy to
see why, when the Reserve Bank in its June quarter 2010 bulletin reported that fees
charged to customers for exceeding credit card limits including late payments totalled
$470 million for the year to 30 June 2009. That is just one example, but it gives the
game away as far as the banking industry is concerned. They have a lot riding on this.
They have a lot riding on the particular nature of credit card contracts and the
business model built on that. But if the banks have a lot riding on this reform then it stands
to reason that so have consumers: if banks are making a lot of money out of credit cards
then consumers are losing a lot of money. That is why the government is determined to
go ahead with this bill and the protections it will introduce.

In his second reading speech the Treasurer gave a number of examples of how credit
card holders could save surprisingly large amounts of money by making small changes
to the way they manage their credit cards based on the information that will be
provided to them and the restrictions placed on lenders as a result of this bill. That might
be increasing the amount they repay each month over and above the minimum monthly
repayment. It might be by avoiding penalties for exceeding their credit limit by a small
amount. Or it might be by putting card holders more firmly in control of how and when they increase their credit limit. We want to empower Australian consumers to
better manage their credit card debts and avoid debt traps that are far too easy to fall
into today. We also want banks and other lenders to embrace the opportunities that increased competition in the sector can bring.

I note that while other banks were making the case against these reforms, one bank—
the National Australia Bank—was offering some of the same measures to its customers
and selling them as a feature of its credit card products. For some time now the National Australia Bank has been aggressively marketing its cuts to fees and charges, two of
which will come into effect across the industry under this bill. From January this
year the NAB started applying repayments to the component of a cardholder's debt with
the highest interest rate. This is in addition to an earlier decision by the NAB to abolish
over-the-limit fees on all credit cards. I have seen reports where the National Australia
Bank estimates these measures to save customers $170 a year. That is $170 of hard-
earned money that previously customers were paying for no benefit to themselves and
purely into the bottom line of the National Australia Bank. For its part the bank
estimates that just the change to the debt repayment hierarchy will cost it $4 million.
That just goes to show that what we are talking about in this bill is not some
hypothetical wishful thinking. That is $4 million that will not come out of customers' pockets. These reforms will change the
balance between banks and their customers—change it in the customers' favour and in ways that they will be able to measure in real dollars and cents.

I will turn now to the specific measures in the bill. They are all important changes but,
according to the evidence before the parliamentary inquiry, the most significant one is the ban on unsolicited offers to borrowers to increase their credit limit. It has
become common practice for lenders to send out material to their customers offering
increases in their credit limit using words like 'preapproved' and making it as simple as
signing a 'tick and flick' form. The submission to the House of Representatives Standing Committee on Economics from the Consumer Action Law Centre referred to a 2009 study in Victoria which showed that 84 per cent of credit card holders in that state had received an unsolicited credit card limit offer increase. That rate was consistent across demographic groups, including people who were unemployed or healthcare card holders.

In evidence before the committee the coordinator of the Consumer Credit Legal Centre talked of 'countless examples over the years of people on very low incomes who have accepted a series of credit limit increases'. The higher the credit limit the less likely it is that the full balance will be paid off each month. People end up on a debt treadmill, paying off a little each month while the interest on the outstanding amount grows to unmanageable and very stressful levels. They are not defaulting entirely, so the banks are happy, but these are the people who are finding themselves in a position where they can never get ahead either. We do not think that is fair and it should not continue. Under these changes people will be able to make considered decisions about whether it is necessary for them to increase their limit but they will not be bombarded with offers enticing them down a path that could result in higher levels of debt than they need or than they can manage to repay.

This bill will also require lenders to include on the monthly statements they send out to customers a clear warning about the consequences of making only minimum repayments. This will stop customers falling into the trap of paying the minimum repayment while the total continues to incur high rates of interest. The difference of paying even a slightly higher amount off the outstanding debt can add up to significant savings over time, and it is certainly better than giving that money to the bank as interest that could have been avoided. We want people to have the knowledge they need to make their money work as hard as it can for them, not the banks' shareholders.

For similar reasons the bill forces lenders to allocate the payments made by customers to higher interest debts first. The most obvious example is where a customer's bill includes an amount for cash advances and an amount for regular purchases. Previously the bank would credit the payment received against the regular transactions, which attract a lower interest rate, while the full amount of the cash advances would continue to accrue the higher rate of interest that applies to those transactions. This is the change the National Australia Bank estimates could save card holders $170 a year. Treasury puts the figure even higher. Whatever the amount is, it is better off in the pocket of the family who earned it than inflating the bank's profit result.

One of the largest sources of fees going to banks from credit cards comes from transactions that take customers over their card's debt limit. Currently lenders allow customers to exceed their limit, but the customer is then liable for an over-limit fee, usually around $20 to $25. This bank revenue is reported by the Reserve Bank as running into hundreds of millions of dollars annually. From now on lenders will be prevented from charging fees to customers who go over their credit limit unless they have expressly asked for this service. Lenders will have the discretion to allow transactions over the credit limit up to a default buffer of 10 per cent of the card's limit, but if they allow that to happen it cannot incur a fee back to the customer.

Finally, the bill seeks to provide customers with easy-to-use information about credit products like home loans and
credit cards. Lenders will be required to produce a key facts sheet for standard home loans, setting out in a standardised format pricing and other information, allowing consumers to readily compare different home loans. A similar requirement will apply to credit cards so that credit card applications will include key information about the annual percentage rate and other contract terms. People will be able to compare the offerings of different institutions and work out what will cost them the least and what will work for them. That is exactly what we are trying to achieve in this bill. This bill is another way the government is helping Australians to get the most out of their hard-earned money. We want bank customers to have the knowledge and capacity to make sound financial decisions and informed choices so that they can access the financial products that they need. Above all, we want to make sure that people's hard-earned money can work for them.

Ms BIRD (Cunningham) (12:43): I rise to support the National Consumer Credit Protection Amendment (Home Loans and Credit Cards) Bill 2011. The purpose of the bill is to amend the National Consumer Credit Protection Act 2009, which includes the National Credit Code, and it continues this government's commitment to effective credit reform— in particular, our Fairer, Simpler Banking policy. The bill delivers on the government's election commitment to take actions to provide greater protections for Australians in their use of credit cards and most importantly to ensure they are not being charged excessive fees for this usage. I seek to speak in this debate because I am acutely conscious of the increasing role of credit in modern life. When I was in my young married days we had a home loan and store cards, and it was not long before credit cards were added to that. Now, many people also have credit on things like mobile phones, and the extension of credit throughout their lives has continued. On top of that, there is far more comprehensive calculation of and shared information about people's credit histories, so it has an even more far-reaching impact on their lives. It is critically important that as a national government we are actively engaged in this area.

In addressing the bill I will first outline the progress of the reform program of which this bill is a part. Then I will outline the specific details of the bill and, finally, I will address some of the important local implications of the bill for my own constituents. I turn first to the broader context. The government has been committed to building national responsible lending reforms, and we have been progressing this important agenda as part of COAG's national credit reform agenda. The Fairer, Simpler Banking reforms were announced during the 2010 election campaign, with the reforms to be implemented by mid-2012. Consequently, legislation was introduced in the first sitting of parliament this year which requires lenders to meet the new obligations from 1 July 2012. This particular bill will give consumers greater control over how they use their credit cards and will help them to be better informed about the credit agreement that they are undertaking.

To achieve this the bill covers five specific areas of reform. First, it regulates overlimit fees. A problem arises because credit card providers generally allow accounts to go over their specified credit limit, but the customer is then charged a higher overlimit borrowing fee for that activity. It is reported that credit card providers currently charge approximately $225 million per year in such fees. The reforms in this bill will ban overlimit fees unless the customer has asked for the
facility—that is, they want the ability to go over their limit and they indicate that they are aware of and are willing to pay an additional charge for the facility. More generally, lenders will be allowed to provide credit in excess of the customer's agreed limit providing they do not charge a fee for their decision to allow the customer to overdraw on their credit. It is important to allow lenders this discretion, as in a range of circumstances they would allow an overdraft, but that should not draw an additional charge unless such an arrangement is explicitly previously agreed to by the customer. On the other hand, customers will also have the power to opt out of this default buffer if they feel that is a good option for them. Consumers will also be able to ask their credit provider, if they so choose, for a larger buffer for which they are prepared to pay an access fee.

The second area of reform in this bill is the allocation of repayments. It is currently the case, and my colleague the member for Capricornia outlined this very effectively, that the vast majority of credit card lenders allocate repayments firstly towards that part of the debt which is attracting the lowest interest rate. The example the member for Capricornia gave was that cash advances attract a higher rate than standard purchases, and so the lenders' policy is clearly detrimental to the borrower as the effect of the repayment is not maximised. This bill will reverse the order so that consumers can pay off their higher interest-bearing debts first. This will enable a credit card user to save an estimated $360 per year or more, depending on their spending habits and their credit limit. This approach has already been adopted in the United Kingdom and United States jurisdictions. I would also point out, as other speakers have, that since the announcement was made in the 2010 campaign the NAB in Australia has also introduced this change and is using it as a competitive argument.

The third area of reform in the bill goes to the practice of unsolicited credit limit extension offers, which have also been discussed by some of my colleagues. This is where unsolicited approaches are made, often by letter or, today, even by email or contact on the web when banking services are accessed. They offer preapproved, ready to go, immediate access to a higher limit, requiring very little engagement with the customer other than a yes or the tick of a box to up their limit. The problem is that consecutive decisions can very quickly end up with people having relatively high limits which are often beyond their capacity to manage. This increases the likelihood of repayment defaults and credit users falling into arrears, and it compounds the effect of the financial difficulties people find themselves in. This legislation will ban unsolicited credit limit extension offers being sent to credit card holders unless they have, again, previously given permission for such invitations to be sent to them. The original bill has been amended to clarify that consents obtained before the commencement will be valid for the purposes of this bill.

Many of the most important features of credit card services are encompassed in the application forms that are originally completed by the customer. This bill will require application forms to include a key facts sheet for potential credit card borrowers. This is intended to give customers upfront information about the key features of the particular credit card for which they are about to apply and can include information such as interest rates on purchases, cash advances and promotional offers, and the annual fee and other relevant fees. It should also be noted that further reforms that were part of the Fairer, Simpler Banking policy are intended to be introduced
through regulations to the National Consumer Credit Protection Act 2009. These will include the requirement that lenders inform customers about the implications of paying only minimum repayments on their statements—a situation that often ends up in higher debt and higher interest payments and the feeling of being on the treadmill of never getting on top of your debt. They will also include standardisation in the calculation of interest to enhance comparability between credit cards and the requirement on lenders to ask customers to nominate a credit limit when they apply for a credit card.

This bill will also fulfil the commitment of the government to provide a key facts sheet for home loans. This was part of the government’s banking package announced in December 2010. It will provide information on standard home loans in a consistent—(Quorum formed) In the time that is left to me I will address some of the local issues I want to speak about, given that my colleagues such as the member for Braddon have very effectively covered the full details of the bill in their contributions to the debate. In the final part of my contribution I would like to speak about an aspect of credit that is important, which I raised at the beginning of my contribution, around people managing their credit responsibilities and the implications that occur for them when they have difficulties with that.

There was an important pilot project on credit that I was able to launch in my local area in May. Many of us would be well aware of the ease with which people, particularly when they are vulnerable or in difficult circumstances, can fall into poor credit practices and end up in difficult financial circumstances, which leads to negative credit ratings. The implications of this poor rating on their ability to access credit, to get a rental property, to purchase telephone services and on many other aspects of normal daily life are profound. The repercussions drive them even further into financial difficulties and, all too often, into the grasp of aggressive and unscrupulous lenders in the general market place.

The Minister for Families, Housing, Community Services and Indigenous Affairs announced on 17 February this year that the federal government would provide $6.27 million for a pilot to be run by five community development finance institutions across Australia to provide individuals and organisations with appropriate financial product loans that they would otherwise be excluded from accessing. This measure recognises that Australia has a well-established banking industry but that there are individuals who suffer financial exclusion, maybe from low levels of financial literacy or poor knowledge of financial products and services. For these people the standard services may be denied because of previous poor records or they may exclude themselves because of their lack of trust or knowledge of those services. Sadly, all too often, these people can also fall prey to people like day lenders and so forth, who charge extremely high rates of interest. This often leads them into real financial distress. It is clear from many studies that this sort of pressure is devastating on families and can contribute to problems such as conflict and family breakdown.

The CDFI pilot seeks to build the capacity and resilience of disadvantaged and financially excluded individuals by attracting investment and injecting funds into community finance organisations which will offer them appropriate products supported by education and services to manage the repayment of these loans. They will provide financial literacy skills and, importantly, improve the saving and loan repayment record of the individual. This is an important
program and in the Illawarra the two local partners have been funded with $2.3 million to deliver the pilot. The launch was organised by Mr Peter Quarmby, who is the executive director of strategic development at Community Sector Banking, which is headquartered and was established in Corrimal in my electorate. CSB in Australia’s only specialist banking service for not-for-profit organisations and is joined by another excellent local service, Access Community Group, to deliver this important project to people in my electorate.

I commend the bill and the broader thrust of the government in credit reform to the House.

**Mr ZAPPIA** (Makin) (12:59): Between 1996 and 2007, credit card debt in Australia rose from $6.6 billion to $42 billion. Currently it sits at around $49 billion. Monthly figures for total credit card transactions—that is, cash advances and purchases—went from $2.1 billion in March 1996 to $18.3 billion in November 2007. For March this year, the figure was around $21.6 billion. In the last decade the collective profits of the four major banks rose from around $8 billion in 2001 to nearly $21 billion in 2010.

I make two observations from those statistics. Firstly, credit card debt blew out under the previous coalition government. Secondly, bank profits have risen as credit card use and credit card debt have increased. The obvious link between credit card debt and bank profits is simple, and other speakers on this bill have made reference to it. Firstly, there are more fees and charges—in particular, overlimit fees, which both the member for Cunningham and the member for Capricornia alluded to in their remarks on this bill. Secondly, the interest rate charged for credit card debt is generally much higher than for normal mortgage loan or overdraft debts.

In years gone by, the four credit cards were not used as prevalently as they are today. Bank customers might have sought a temporary overdraft or a personal loan, and a temporary overdraft or a personal loan would have generally attracted an interest of two or three per cent above mortgage loan rates. Credit card loans, which is effectively what they are when people use the credit facilities allowed to them under their credit card, are more in the vicinity of 18 to 20 per cent—that is, two to 2½ times higher than getting those same credit advances in years gone by.

There is no question that, in recent decades, Australians have changed the way in which credit is used. Since the introduction of Bankcard in 1974, our credit card culture has become entrenched. It has been largely driven by a push from the banking sector to encourage the use of credit cards as we head more and more towards a cashless society. A survey undertaken by the Australia Institute last year confirmed what anyone can see merely by opening their mail or taking notice of advertising—that is, banks are actively encouraging their customers to use credit.

The survey results, which were published in 'Money and Power: the case for better regulation in banking', show the extent to which unsolicited offers were made for new credit cards, personal loans or increased credit card limits. Over a 12-month period, from mid-2009 to mid-2010, two out of three respondents had received an unsolicited offer for a new credit card, one in two had received an unsolicited offer to increase their credit card limit, one in three had received an offer for a personal loan and one in five had received an offer to increase the available credit on their home loan.
The banks will say that these offers were made by banks to existing customers who had demonstrated over an extended period of time a capacity to determine whether a higher credit card limit would be of service to them. The response that banks made offers to extend credit limits only to persons capable of making an informed decision, based on their capacity to repay the loan, may seem reasonable. However, in the context of a society driven by consumption, this situation warrants closer scrutiny.

As a society we are dedicating a lot of energy to addressing problems such as anxiety and depression. Financial hardship and insurmountable debt are often causes of anxiety and depression. Over the last decade, credit card debt rose from $16 billion in $2001 to $49 billion in April 2011. This represents an increase of over 300 per cent in the level of credit card debt Australians have incurred over the last decade. Using credit may not be anything new, but the level of debt being incurred is of concern. The measures in this legislation will assist individuals and families to manage their finances.

Turning to the specifics of the bill, the National Consumer Credit Protection Amendment (Home Loans and Credit Cards) Bill 2011 gives effect to the government’s Fairer, Simpler Banking policy. These reforms will regulate the circumstances in which borrowers can go over their credit limits and will abolish fees when they do so, except in situations where the consumer has provided informed consent to opt in. They will require credit card payments be allocated to repayments of higher interest bearing debts first, and other speakers have referred to the importance of that matter. The reforms will ban unsolicited credit limit extension invitations that encourage borrowers to increase their credit limit, except where the consumer has provided consent to opt in. The reforms will make it mandatory for credit card application forms to include a clear summary of key account features and, finally, the reforms will introduce a requirement for home loan lenders to give potential borrowers a key facts sheet so that they can compare home loans.

Other aspects of the Fairer, Simpler Banking policy will be introduced through regulations to the National Consumer Credit Protection Act 2009. Regulating the circumstances in which borrowers can go over their credit limits is an appropriate measure to ensure that individuals do not find themselves in debt that they are unable to overcome. Indeed, I have to ask why such features are possible to begin with. The requirement that credit card payments are first made to higher interest bearing debts is logical and takes some pressure off individuals navigating their way out of debt. Banning unsolicited credit limit extension invitations that encourage borrowers to increase their credit limit, except for where the consumer has provided consent to opt in, may help banks to once again balance their role to one that is between a business seeking to maximise profits and a service provider to the community.

Bank workers in Australia are often paid a commission or have targets imposed on them to sell their bank’s products, and encouraging customers to take on a heavier credit burden can be part of their employment demands. Less scrutiny is also being applied to providing consumers with additional credit. I recall listening some 12 months ago to a radio interview with a person who had got into enormous financial difficulty through credit granted to them by their bank. Ultimately, the person was taking a new credit card, with the credit that went with it, in order to pay off the previous one. This became a chain reaction, with one credit card
after another being taken out by the consumer in order to secure credit to make the minimum payments on the previous credit card debt that the person had incurred. In the end, the person was simply unable to cope with the financial demands on them and I understand that the bank had to write off the debts. The problem with writing off the debts is that it does not really help the consumer at all—that consumer finds that they are now a credit risk and unable to secure credit in the future. Just as importantly, banks' bad debts are inevitably costed into their operations, which effectively means that every customer shares, in a sense, the cost to the bank of the bad debts incurred.

Historically, bankers have asked two questions when approving credit. Firstly, they asked about the availability of collateral. Secondly, they asked whether the client could demonstrate a capacity to make full repayment, including the interest that would be accrued. That no longer appears to be the case. I believe that regulation is critical to ensuring that the banks understand that their role goes beyond a narrow pursuit of profit but indeed plays a critical role in the lives of Australians and in the workings of the national economy.

These reforms also seek to ensure that potential customers have access to valuable information which they can use to make an informed decision about whether a particular account is the best option available to them. Providing a clear summary of key account features will do that. Similarly, a requirement that home loan lenders provide a key facts sheet so that potential borrowers can compare home loans is a simple reform which gives Australians the best chance of selecting a home loan that best suits their circumstances. It is not always easy for someone purchasing their first home to compare loans and understand the full implications of the undertakings they are about to embark on. Finally, I note that this legislation was referred to the House of Representatives Standing Committee on Economics and that the committee, in reviewing the legislation, recommended its adoption. I therefore commend this bill to the House.

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (13:09): The National Consumer Credit Protection Amendment (Home Loans and Credit Cards) Bill 2011 delivers on the government's election commitment to crack down on unfair treatment of Australians with credit cards and to help them get a better deal with their credit cards and home loans. The measures in this bill build on the government's first phase of consumer credit reforms and reflect the government's ongoing commitment to empowering consumers. I am indebted to the contributions of the many members of parliament, from all sides, who have spoken in this debate, in particular the most recent address by the member for Makin. As he highlighted, these reforms address the two most common credit products in Australia—credit cards and home loans. In relation to credit cards, the bill delivers on the government's election commitment and implements the most significant reforms in this area in 15 years. It will build on our new national responsible lending credit reforms by giving credit card holders more control over the amount they borrow.

Contrary to the claims of some in the House, these reforms did not appear mysteriously out of nowhere. We have had an extensive consultation process. My predecessor launched the green paper on 7 July 2010. Then we announced, during the 2010 election campaign, that we would implement these very reforms. Since that time, we have worked hard to consult with
the banking industry to ensure these reforms were commercially workable while minimising implementation costs for industry. For example, in the lead-up to the Deputy Prime Minister's announcement of the Gillard government's comprehensive banking reform package—in the period prior, from July to December 2010—the Department of the Treasury met with the Australian Bankers' Association in no less than nine highly productive, face-to-face meetings. The government has continued to work closely with industry on implementation. The result is a bill that minimises the implementation costs for industry while also meeting our objective to get Australian families a better deal on credit cards.

This bill will give consumers more say over how they use their credit cards and will ensure that they are fully informed about what they are signing up to. The bill prohibits lenders from sending unsolicited invitations to borrowers to increase their credit limit. Currently, consumers who receive tick-a-box offers can end up overindebted; they can end up with credit limits for amounts they cannot easily repay and with arrangements which cost them more over the long term. Consumers will of course still have the opportunity to increase their credit limit if they decide that is what they want, but this bill will put a stop to consumers being bombarded, every time they open the mail, with preapproved tick-and-flick offers to increase their credit limit. The bill prevents lenders charging exorbitant fees to customers who go over their credit limit, unless those customers have expressly asked for this service. This important reform will mean an end to most credit limit overdraft fees and will mean significant savings for Australian families and all consumers. The bill requires lenders to allocate repayments to higher interest debts first so that families do not pay more interest than they should. A cash advance will be paid off before an interest-free purchase, saving consumers money.

In addition, we will also make regulations requiring all lenders to include clear information on monthly credit card statements warning consumers of the consequences of only making minimum repayments. Consumers will be encouraged to make higher payments rather than carrying debt at credit card interest rates. The bill also delivers on our commitment last year to introduce a compulsory key facts sheet for home loan customers. The Deputy Prime Minister announced in December that the Gillard government would take further action in three broad streams of reform—to empower consumers to get a better deal in the banking system, to support our smaller lenders so they can put more competitive pressure on the big banks and to secure the long-term safety and sustainability of the financial system so it can continue to provide reasonably priced credit to Australian households and small business.

To have a competitive banking system, consumers have to be able to walk down the street and get a better deal for the family. To do that, consumers need two things: firstly, to be rid of unfair exit fees and, secondly, to have the tools and the information to be able to compare the offerings of different lenders. That is why the introduction of the key facts sheet is so important. Families will be able to compare the cost of different home loans by putting facts sheets from different lenders side by side. They will be able to tell at a single glance the savings they could make between different home loans every year and over the life of the loan. This reform is all about forcing banks and other home loan providers to be transparent and honest with Australian families and promoting competition in our banking system. Choosing the wrong loan can be expensive. Half a per cent
more interest on a $250,000 loan can cost a borrower $30,000 more over 30 years. It is a very important step in empowering Australians to be able to make the best financial decisions for themselves.

I will shortly introduce some minor amendments to this bill which are the result of feedback from stakeholders. These amendments will make it easier for lenders to comply but do not in any way reduce the effectiveness of the measures we are introducing. The Gillard government is changing the way banks do business and putting power back into the hands of the consumers. These reforms will help Australians with credit cards and home loans manage their debt so that every dollar of a borrower's hard-earned repayments works harder for them.

As the consumer representatives pointed out at the House of Representatives Standing Committee on Economics hearings into this bill, this is an important piece of legislation. This bill is part of our commitment to always stand on the side of consumers. I encourage all members of the House to do the same. I present a supplementary explanatory memorandum to the bill.

Question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (13:16): I present a supplementary explanatory memorandum to the bill and seek leave to move amendments (2) to (10) together.

Leave granted.

Mr SHORTEN: I move government amendments (2) to (10):

(2) Schedule 1, item 5, page 6 (lines 11 to 19), omit subsections 133AC(4) and (5).

(3) Schedule 1, item 7, page 10 (lines 7 to 10), omit the item.

(4) Schedule 1, item 11, page 10 (lines 21 to 23), omit the item.

(5) Schedule 1, item 13, page 11 (lines 1 to 4), omit the item.

(6) Schedule 1, item 16, page 11 (lines 14 to 17), omit the item.

(7) Schedule 1, item 19, page 12 (lines 16 to 18), omit all the words from and including "Division 5" to and including "fees etc.", substitute "Division 5 provides for consumers to be notified if a credit card is used in excess of its credit limit, and restricts the charging of fees etc. for use of a credit card in excess of its credit limit.".

(8) Schedule 1, item 19, page 15 (line 32) to page 16 (line 7), omit subsections 133BD(3) and (4).

(9) Schedule 1, item 19, page 19 (line 20) to page 24 (line 30), omit Division 5, substitute:

Division 5—Use of credit card in excess of credit limit

133BH Credit provider to notify consumer of use of credit card in excess of credit limit

Regulations may require licensee to notify consumer of use of credit card in excess of credit limit

(1) The regulations may require a licensee who is the credit provider under a credit card contract to notify the consumer who is the debtor under the contract if the licensee becomes aware that the debtor has used a credit card that is linked to the contract to obtain cash, goods or services in excess of the credit limit for the contract.

(2) Without limiting subsection (1), regulations made for the purpose of that subsection may deal with:

(a) how and when the licensee must notify the consumer; and

(b) the matters that must be included in the notification.

Requirement to comply with the regulations

3 A licensee must comply with regulations made for the purpose of subsection (1).

Civil penalty: 2,000 penalty units.
Offence

(4) A person commits an offence if:
   (a) the person is subject to a requirement under subsection (3); and
   (b) the person engages in conduct; and
   (c) the conduct contravenes the requirement.

Criminal penalty: 50 penalty units.

133BI Credit provider not to impose fees etc. because credit card used in excess of credit limit

(1) If a credit card is used to obtain cash, goods or services in excess of the credit limit for the credit card contract, the licensee who is the credit provider under the contract must not, because the credit limit was exceeded, impose any liability to pay fees or charges, or a higher rate of interest, on the consumer who is the debtor under the contract unless:
   (a) the licensee has, in accordance with this section, obtained express consent from the consumer covering the imposition of the fees or charges, or the higher rate of interest; and
   (b) the consent has not been withdrawn; and
   (c) any other requirements prescribed by the regulations are complied with.

Note 1: The consent must be express, and cannot be implied from the actions of the consumer or from other circumstances.

Note 2: The licensee must keep records of consents and withdrawals: see section 133BJ.

(2) The consumer may consent to the licensee imposing a liability to pay fees or charges, or a higher rate of interest, if the credit card is used to obtain cash, goods or services in excess of the credit limit.

(3) Before obtaining the consumer's consent, the licensee must, in accordance with the regulations, inform the consumer of any matters prescribed by the regulations.

(4) The consent may be obtained before or after the credit card contract is entered into, but it does not cover any fees, charges or interest imposed before the consent is obtained.

(5) The consumer may withdraw the consent at any time.

(6) The regulations may prescribe requirements to be complied with in relation to giving consent under subsection (2), or withdrawing consent under subsection (5).

(7) For the purpose of subsection 23(1) of the National Credit Code (and the other provisions of the Code that refer to, or apply in relation to, that subsection):
   (a) a liability to pay a fee or charge that is imposed contrary to subsection (1) of this section is taken to be a credit fee or charge that is prohibited by the Code; and
   (b) a liability to pay interest that is imposed contrary to subsection (1) of this section is taken to be an interest charge under the credit card contract exceeding the amount that may be charged consistently with the Code.

Note: For the civil and criminal consequences of contravening subsection 23(1) of the National Credit Code, see subsections 23(2) to (4), section 24, and Part 6, of the Code.

133BJ Records of consents and withdrawals to be kept

Requirement

(1) A licensee must, in accordance with the requirements prescribed by the regulations, keep a record of:
   (a) consents the licensee obtains under section 133BI; and
   (b) withdrawals of such consents.

Civil penalty: 2,000 penalty units.

Offence

(2) A person commits an offence if:
   (a) the person is subject to a requirement under subsection (1); and
   (b) the person engages in conduct; and
   (c) the conduct contravenes the requirement.

Criminal penalty: 50 penalty units.

(10) Schedule 1, item 21, page 27 (lines 25 to 27), omit note 2, substitute:
Note 2: This subsection also applies to liabilities imposed contrary to section 133B1 of the National Credit Act: see subsection (7) of that section.

On behalf of the government, I move a number of minor but nonetheless important parliamentary amendments to the bill. These amendments will help minimise the cost of implementation for industry and will make things simpler for consumers while ensuring strong protections for families. Firstly, we have listened to the stakeholders and agreed with the House of Representatives Standing Committee on Economics recommendation that the commencement date for the obligation to provide a home loan key facts sheet be moved to 1 January next year. This will give lenders almost a full year and a half to implement this important reform from the time when this reform was first announced.

We have also amended two offence penalty provisions: first, where a licensee does not have a website that allows the consumer to generate a home loan key facts sheet and, second, where a licensee enters into a contract without having supplied a credit card key facts sheet to the borrower. Persons who breach these provisions will be liable for civil and criminal penalties, and the strict liability of the provisions are considered no longer necessary. This reflects the fact that sometimes lenders may commit a foot fault with some small technical breach despite having made every effort in good faith to comply. It is important that in these circumstances there is some discretion available to provide them with relief.

Next, it is proposed to amend the bill to allow consents given by consumers before 1 July 2012, when the law commences, to receive unsolicited credit limit invitations, to be relied upon. This change makes these reforms more workable for industry whilst still allowing invitations to be sent only to consumers who provide informed consent. Lastly, we have simplified the operation of the overlimit buffer reform. This amendment will make things simpler and easier to understand for consumers while preserving the strong level of protection that this critical reform provides. Lenders will also be required to notify consumers when they go over their credit limits and will not be able to charge a fee unless the consumer has given their express consent to being charged a fee. These are minor amendments but important changes to minimise the costs for industry and ensure strong protection for consumers.

Mr HOCKEY (North Sydney) (13:18): We will not oppose these amendments. These amendments represent a backdown from the government after the Treasurer sought to vilify me for having the matter referred to a committee and after he tried to spin to a journalist that we were, in fact, delaying the bill. Our concern was that the bill was starting too early. In fact, the government now recognises that with amendment (1). So I would say to you, Mr Deputy Speaker Georganas: that is the form of this government—it delivers a piece of legislation and consults afterwards, not before, and it seeks to ridicule and vilify any critic and then, when it realises the critic has actually got a fair point, it claims to be engaging actively with the community. So I would say to you, Mr Deputy Speaker, that it does not surprise me that the Assistant Treasurer is in here doing the heavy lifting because the Treasurer himself has not got the courage to do it.

Mr Shorten: What?

Mr HOCKEY: It is a fair point, mate. It is a fair point, my old china. Where is he?

Mr Shorten: Mr Deputy Speaker, on a point of order: I think the shadow Treasurer could have finished his speech after 'we agree'.
The DEPUTY SPEAKER (Mr S Georganas): There is no point of order.

Mr HOCKEY: You will need to be wittier than that if you want to be Prime Minister, mate.

The DEPUTY SPEAKER: Order! All the remarks will be through the Deputy Speaker.

Mr HOCKEY: Through you, Mr Deputy Speaker: if the Assistant Treasurer wants to be witty he would need to improve his skill base if he wants to be Prime Minister. I say to you, Mr Deputy Speaker, this is an important piece of legislation; we recognise that and that is why we are not opposing it. But when it comes to some of the amendments, we are on the record as having actively encouraged some of these, and I give credit to the shadow Assistant Treasurer, Senator Mathias Cormann, who has been actively engaged in discussion on some of these matters. So we will not be opposing these amendments, because they do represent an improvement on the substantive bill. We will have more to say about the Greens amendment a little later.

Mr BANDT (Melbourne) (13:21): The Greens support the thrust of this bill and will be supporting amendments (1), (11) and (12), after they have been moved, because they are sensible technical amendments—for reasons that have been outlined—that make sense and will make it easier to implement this bill. But amendments (2) to (10) cannot be supported. It is another form of backdown. Amendments (2) to (10) remove some of the strict liability provisions and they also have the effect of removing default and supplementary buffers.

It is notable that the strict liability provisions were not raised once in the report of the Standing Committee on Economics. The committee did not see fit to recommend any change to these provisions and one presumes that the committee thought that these provisions were important for the enforcement of some very important protections. One can only surmise what would have happened, but in the meantime lenders have come and lobbied the government and perhaps lobbied others and successfully managed to remove some of the strict liability provisions, despite the committee never having said that these provisions should be removed. In fact, the committee supported the passage of the bill as it stood.

The minister has said that the reason for the removal of the default and supplementary buffer is that it was sought by consumer groups. The committee heard that argument and the committee heard conflicting views. The committee heard from one charity that said that the default and supplementary buffer provisions that are now proposed to be removed were important and they did not believe, on balance, they should be removed and that they did not agree with the submission of the Australian Bankers Association that these ought to be removed because they were important protections for consumers.

Again, what has happened is that, since the report was tabled, some lobbying has presumably gone on and the Australian Bankers Association has got its way with respect to the removal of those parts of the default and supplementary buffers that are referred to in amendments (2) to (10). For that reason, whilst we support the bill, it is disappointing that a very good, welcome and important reform is at the eleventh hour being watered down after some last-minute lobbying by the banks.

Question agreed to.

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (13:24): I move
government amendments (2) to (10) together.

An opposition member: We've done that.

Mr SHORTEN: I ask leave of the House to move government amendments (1), (11) and (12) together.

Leave granted.

Mr SHORTEN: I move:

(1) Clause 2, page 2 (table item 2), omit the table item, substitute:

2. Schedule 1, 1 January 1 January Part 1 2012. 2012

(11) Schedule 2, item 1, page 30 (line 10), after "Application", insert "and Transitional".

[pre-commencement consents for credit limit increase invitations]

(12) Schedule 2, item 1, page 30 (after line 25), at the end of Part 1 of Schedule 4, add:

3 Pre-commencement consents for credit limit increase invitations

(1) Subject to subitem (2), if:

(a) before commencement, a licensee who is the credit provider under a credit card contract obtained express consent, from the consumer who is the debtor under the contract, to the licensee making credit limit increase invitations; and

(b) the consent is expressed to relate to any credit limit increase invitations that the licensee may, from time to time, make to the consumer; and

(c) before obtaining the consumer's consent, the licensee informed the consumer of the matters mentioned in paragraphs 133BF(4)(a), (b) and (c) of the amended Act; and

(d) the consumer did not withdraw the consent before commencement;

then, for the purposes of Division 4 of Part 3-2B of the amended Act, the licensee is taken to have obtained the consent under, and in accordance with, section 133BF of the amended Act.

Note: The consumer may, after commencement, withdraw the consent in accordance with section 133BF of the amended Act.

(2) Section 133BG of the amended Act does not apply in relation to the consent, so far as that section would otherwise require a record of the consent to be kept. However that section does apply in relation to a withdrawal of the consent after commencement.

Mr HOCKEY (North Sydney) (13:25): I am not going to let the minister off the hook with that. We will not be opposing these further changes, as I indicated before, but I would encourage the Assistant Treasurer to get on top of his brief.

Question agreed to.

Mr BANDT (Melbourne) (13:25): I move:

(1) Schedule 2, item 2, page 30 (lines 24 and 25), omit "credit card contracts entered into", substitute "transactions and payments made under a credit card contract whether the contract was entered into before, on or after"

This bill contains some very important reforms and very important protections. A credit card is something that millions of Australians have and use every day. For many people who are struggling to make their daily obligations, it has become something that they will use with some regularity and often to supplement their income. Many would be surprised to know that some of the reforms in this bill are necessary. I think many people would have assumed that, when they make their payment on their credit card, it goes to pay off the highest amount. Many people might have presumed that there were some prohibitions on fees that could be charged when people came up to their limits on their credit cards. To the extent that those reforms are being introduced, we welcome that.

That comes in the context where banks who are the providers of many of the credit
cards are doing very well, with combined annual profits of $20 billion in the last year. On fees alone—not just credit card fees but all fees—the revenue raised in Australia is in the order of $5 billion per annum. In that context, moves to limit unfair fees that banks can charge are welcome. But many might also be surprised to know that this bill will not apply to existing credit cards. Those parts of the bill that apply to access limits and the order of payments—so the payments going to pay off the highest interest-earning components—do not apply to existing credit cards.

In the Standing Committee on Economics inquiry and elsewhere, the point had been made by some of the banks said that it could not apply to existing credit cards. The National Australia Bank did not. They made the point—correctly in our view—that, although there might be some argument about compensation on just terms if you sought to deal with the way banks apply money for existing debts, there could be no argument made under the Constitution with respect to purchases made after the date of introduction of the bill. In other words, there is no legal constitutional barrier to having the provisions of this bill apply to purchases made after the bill comes into effect. That, of course, makes sense. These are not property rights that have accrued. It is a future transaction about which there is currently no regulation.

The amendment that we are moving would have the effect, without infringing any constitutional prohibition or without exposing the government to any claims for compensation, that most Australians would think this bill would have, and that is that it would apply to all new transactions on existing credit cards. If this amendment is not passed, although there will be some great headlines about the effects of these reforms, for the millions of Australians who currently have credit cards it will mean very little difference. They will continue to pay unfair fees and when they make their payments on their credit cards it will not necessarily go to those parts that are accruing the highest debts. It is very easily fixed. The National Australia Bank agrees that it can be done, and I would urge members of this House to support these amendments because it will make a very real difference to everyday Australians.

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (13:29): The National Consumer Credit Protection Amendment (Home Loans and Credit Cards) Bill increases protections for consumers by banning over-limit fees, by making payment allocations fair and by banning unsolicited credit limit increase offers. Whilst I understand the spirit of the member for Melbourne’s amendments, the government has strong advice that the amendments pose a serious exposure to taxpayers. As I am sure the member for Melbourne is aware, our Constitution prohibits the compulsory acquisition of rights other than on just terms. As lenders have accrued rights invested in existing credit card contracts, any changes to those rights may be considered a breach of that clause of the Constitution. Such a breach could result in taxpayers being required to compensate lenders in huge amounts, which I am sure is not the intention of the member for Melbourne. The government is seeking to ensure that taxpayers are not exposed to this risk. That means that we cannot support the member for Melbourne’s amendment.

Mr HOCKEY (North Sydney) (13:30): I too oppose, on behalf of the coalition, this amendment. I would say to the member for Melbourne that it is quite stark that he has no support for any of the amendments he has moved today in the House. It should be a salient lesson for him that he cannot run with
the hares and the hounds in this place. He will actually have to form some partnerships, if he really does want to get something through—

Mr Bandt interjecting—

Mr HOCKEY: and you cannot always rely on the Labor Party, old son. You should think about occasionally voting with us, and we might carefully consider any amendments that you are prepared to put up to the House. In this case, I would have tipped you off. But, because the element of retrospectivity is anathema to the coalition, even though it is not anathema to the Labor Party because, Lord knows, Kevin Rudd could come back, we will not be supporting this amendment. Having said that, I would say to the member for Melbourne: please feel free to enter into a constructive dialogue with the coalition. After all, you do sit on this side of the House but you always vote on that side of the House.

Question negatived.

Bill, as amended, agreed to.

Third Reading

Mr SHORTEN: by leave—I move:
That this bill be now read a third time.
Question agreed to.

Bill read a third time.

Military Justice (Interim Measures) Amendment Bill 2011

Second Reading

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

Mr ROBERT (Fadden) (13:33): The Australian Military Court, by virtue of background and history, was established in 2007, in legislation that had the bipartisan support of both sides of the parliament. The court's establishment followed a series of Senate committee reports, over a number of years, recommending extensive changes to the system of military justice.

On 26 August 2009, however, the High Court of Australia handed down its decision in the case of Lane v Morrison. The case challenged the constitutional validity of the Australian Military Court. The High Court found unanimously that the provisions of the DFDA 1982, establishing the Australian Military Court, were indeed invalid because the Australian Military Court purported to exercise the judicial power of the Commonwealth but did not meet the requirements of chapter III of the Constitution.

The current interim military justice system was established following the High Court's decision. The interim military justice system was established under the Military Justice (Interim Measures) Act (No. 1) 2009. We were told by then Minister Faulkner—second out of a line of three defence ministers in this government over four years—when it was introduced that rectifying the military legal problem would be 'afforded the government's highest priority'. If it was afforded the government's highest priority, then why are we back here two years later extending the provisions with the Military Justice (Interim Measures) Amendment Bill 2011?

I was here under the almighty reign of the former Prime Minister, the member for Griffith, where he had wars on everything—a war on Indigenous disadvantage, a war on obesity, a war on unemployement—

Dr Southcott: A war on inflation.

Mr ROBERT: and a war on inflation. It got to a point where, over a month, there were 10 wars that he was fighting across the domestic continent of Australia. But, not content to just stop at the war fighting, he then said, 'My No. 1 priority is dealing with obesity; my first priority is dealing with X.' He had 10 No. 1 priorities. Is it any wonder
that, 12 months ago to the date in two days
time, the Labor Party rose up in historic form
and knifed him, not because he was behind
in the polls but because they, frankly, hated
him? That is a statement of fact: 10 wars, 10
No. 1 priorities, none of them going
anywhere; and here we have another highest
priority, military justice.

Two years ago, the Minister for Defence
said, 'It's our highest priority.' When a
Minister for Defence speaks in the House of
Representatives, the world listens. Not only
is there a $26 billion budget but, when you
add on $12 billion in terms of vets, you are
talking about $38 billion worth of
expenditure and the senior elected represen-
tative of a middle power with significant
regional interest. When the Minister for
Defence speaks, the world listens. When he
says it is his highest priority, we would
expect that to be honoured.

Then again, 12 months ago, when the
government had lost its way, the Prime
Minister outlined three of her highest
priorities. Where are we on those highest
priorities? Where are we on the issue of
asylum seekers? We had East Timor. We had
Manus Island. We had Malaysia announced
almost eight weeks ago and we still have
nothing. Where are we on the carbon tax?
Where are we on the MRRT? It seems that
whenever this government
rolls out this
colloquial line, 'It is our highest priority,'
hoping that the nation listens and says,
'Perhaps the government is interested and
this is important to it,' it ends up nowhere.

Keeping military matters in mind, in
2007— I look at the member for Moreton,
who came in in 2007— the government said
in the election campaign that one of its
highest priorities was to address the fairness
of the indexation of defence pensions. Where
are we after four years of that being a high
priority? Where are we, Member for
Moreton? Where are we, Member for
Fremantle? Where are we on that high
priority? In fact, to save your bacon, the
colalition introduced a private senator's bill in
the Senate. When we went to the election
saying it was our highest priority, we
actually acted on it. We stood up and acted
on our highest priority. We put a private
senator's bill into the Senate. Where was the
Labor Party? It was voting against it, which
was odd because I put a motion into the
House asking the House to reaffirm its
commitment to the fair indexation of military
pensions and to support the Senate bill and it
passed on the voices. Where was the Labor
Party then in dealing with this high priority?
As we address this issue of military justice,
let everyone know that we are here because
this government is completely, intolerably
and utterly incapable of exercising a
commitment to what the defence minister
said was the highest priority—not just a high
priority but the highest priority. It is funny
how priorities change, because here we are
two years later.

Clearly the minister's statement was about
buying time for a government that had lost
its way, or so we were told 12 months ago.
This is a government that does not have a
clear strategy on how to deal with the issue
of military justice. This also builds on so
many other missteps and misfortunes this
government has created when it comes to our
fighting force. It was dragged kicking and
screaming to put counter rocket, artillery and
mortar into the battlefield, the C-RAM
system, which was originally on the DCP for
2018 until the coalition pressured it and 43
force protection measures went into
Afghanistan to further protect our troops.
The government was told about the issues
with the air warfare destroyer, but still there
was no action until it was sprayed across the
front of the papers. We are seeing $2½
billion of the defence budget handed back
because apparently the government cannot spend it. Yet, in the Howard years, an average of something like 30 projects went through first and second pass approvals. What has the government been doing in the last one, two and three years in first and second pass approvals? Seven, eight and nine, a third less than the Howard government, and you wonder why there is an underspend out there in defence industry.

Everything this government does in terms of defence has the opposite of the Midas touch. We are now at a point where Force 2030 is unachievable. Something like $14 billion worth of defence procurement has been pushed to the right, some of it into years that have not been disclosed, so this government can try to stand up next financial year, 2012-13, and say, 'Look, we've got a wafer-thin surplus,' a surplus built on the back of destroying Australian defence industry and deferring $14 billion worth of projects. It is one more example of a long litany of defence failures. The defence minister said fixing up the Australian Military Court issue was his highest priority. He said it two years ago and here we are back again. I could use the Treasurer's hyperbole—to use the Prime Minister's term—about how appalling this is, but let the record speak for itself: two years later we are back again.

The Military Justice (Interim Measures) Amendment Bill 2011 is a stopgap measure. It is necessary in order to provide for the ongoing remuneration along with other entitlements of statutory office holders, ostensibly the Chief Judge Advocate and two Judge Advocates, each of whom is a full-time member of the Australian Defence Force. The amendment, at least at face value, is necessary because schedule 3 of the Military Justice (Interim Measures) Act (No.1) 2009 currently provides a fixed tenure for the statutory office holders, the Chief Judge Advocate and two Judge Advocates, of up to two years that will expire in September 2011. This bill amends schedule 3 of that act to provide for the appointment, remuneration and entitlement arrangements for an additional two years or until the Minister for Defence puts in place the legislation to establish a properly constituted court.

If it takes two years to move to reaffirm the interim measures bill, which was the highest priority, frankly I am not holding my breath on the government's capacity, capability, courage and conviction to actually get a proper bill before the House. It is 12 months since fundamental injustice day, 12 months since the government lost its way. The Prime Minister's three priorities are still nowhere. All we have learnt is that the Prime Minister's highest priorities simply do not get any priority and the Minister for Defence's highest priorities get zero priority. That is a fabulous analogy for this wretched government—moribund, rotten and incapable of actually setting an agenda or a vision for the nation; setting priorities it does not keep and setting agendas it has no hope of ever reaching. It is disappointing that we once again find ourselves passing another stopgap measure. Senator Faulkner's second reading speech reads:

This is an interim measure until the government can legislate for a chapter III court … The question for the government is: when will we see the legislation for a chapter III court? Numerous military professionals have come out opposing some concepts of where the government is going. There is no ostensible discussion paper to provide advice as to the direction it might head and no comments out there with respect to where we might go.

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

STATEMENTS BY MEMBERS

Boyd-Turner, Ms Jan

Mr PYNE (Sturt—Manager of Opposition Business) (13:45): I rise in the House this afternoon to pay tribute to a very great lady of the eastern suburbs of Adelaide, Jan Boyd-Turner, who passed away about 2½ weeks ago. Jan Boyd-Turner was a quintessential eastern suburbs Liberal supp-orter. She was a lifelong Liberal but in no way was she a one-eyed Liberal who always believed that the party was right. She spent her entire adult life as a member of the Liberal Party, as president of the local Leabrook branch, as president of the Bragg state electorate committee, as a very active member of my campaigns, and Ian Wilson's before me, and as an active member of the Liberal Women's Council. But she was not a person who simply accepted the party's positions. In the latter years of her life and also in the latter years of the Howard government she gave me a very hard time about asylum seekers and the government's approach to them. I very much welcomed her contributions to my federal electorate council and also to the local branch. She was a marvellous fundraiser. She welded together a wonderful group of women in the eastern suburbs. She was the mother of nine children, six from her husband's first marriage and three of her own, all of whom she has raised to be terrific adults and a marvellous family.

Tasmanian Football

Mr LYONS (Bass) (13:46): I rise to speak about football in Tasmania. Northern Tasmanians should acknowledge that the AFL are trying to kick North Melbourne out of Victoria. But I firmly support Hawthorn playing five games in Launceston. It has proven to be a great boost for our community in Northern Tasmania. We should, however, have discussions with Hawthorn and the AFL to ensure that games do not clash with community Aussie Rules, to enable more spectators to attend AFL games. This could be achieved by Hawthorn playing Friday and Saturday night games or Sunday games at Aurora Stadium. We do need to improve facilities at Aurora Stadium to hold 25,000 people.

Wasting our time fighting 200,000 southern Tasmanians, the Australian Cricket Board, the AFL and the major southern councils, who are all making financial contributions to get North Melbourne to Hobart, seems to me to be misdirected. I call on Tasmanian businesses and local councils in Dorset, George Town, Northern Midlands and West Tamar to support the Launceston City Council, the federal government and the state government with our regional facility.

The AFL are an undemocratic, autocratic organisation and they have chosen to kick North Melbourne out of Victoria. We Tasmanians should focus on making the financial viability of Hawthorn in Launceston a huge success. I call upon the AFL to work more constructively with football bodies in Tasmania for the betterment and development of the great game of Aussie Rules.

Pacific Seasonal Worker Pilot Scheme

Mr O’DOWD (Flynn) (13:48): I would like to commend to the House the Pacific Seasonal Worker Pilot Scheme, which allows approved employers in the horticultural industry to recruit Pacific islanders. The Australian government recently confirmed it remained committed to the pilot scheme, which is due to run out on 30 June 2012.

Recent changes were designed to make the scheme more flexible and better reflect the needs of the horticulture sector to fill
unmet demand while ensuring that Pacific seasonal workers will continue to make financial benefits during their stay in Australia. I have seen the scheme working most effectively at the 2PH citrus orchard at Emerald, in the electorate of Flynn, which has been employing Pacific islanders to assist with its seasonal harvests and has found them to be keen, happy and efficient workers in an industry where Australian workers are very hard to find. Some Tongans working at 2PH escaped the recent tsunami, which devastated their villages. These workers pay their taxes in Australia. They benefit, we benefit, the growers benefit and their home countries benefit, so I would like to see this scheme continue beyond the projected pilot period ending 30 June 2012. Changes introduced to the system have meant better things for these workers, and I would like to encourage the program to continue. (Time expired)

Syria

Ms PARKE (Fremantle) (13:50): A few months ago it would have been unthinkable for Syrian people to raise their voices against the Al-Assad regime, which has ruled their lives for so long. But the Arab Spring, which has seen uprisings against dictatorships in Tunisia, Egypt, Libya, Yemen and Bahrain, is dawning in Syria, too, as the people there express their desire for freedom and dignity, which expression has been met with a deadly response.

As many as 150,000 protesters took to the streets last Friday in cities right across the country, despite the state security's use of live gunfire, beatings, random arrests and torture to try to suppress the protests. More than 1,000 protesters have been killed and more than 10,000 have been arrested, or have disappeared, according to rights organisations.

Information about the true extent of the casualties of the crackdown is difficult to gather—foreign press are banned, telephone services, internet services and electricity are regularly cut in protest areas and physical movement is restricted by checkpoints and searches. The regime has shown that there are no limits on what it is willing to do to prevent the truth from getting out. It has blamed the killings and violence on 'armed gangs' and 'extremists and terrorists' but has offered little more than transparent fabrications to justify its actions. The sense of impunity within the security forces is so great that they even return bodies that bear signs of torture, including those of children, to families.

As the International Coalition for the Responsibility to Protect website notes:

All governments, including Syria, have a responsibility to protect their populations from mass atrocity crimes. It is crucial that … UN Member States use all available leverage to encourage an end to the crackdown …

Live Animal Exports

Ms MARINO (Forrest—Opposition Whip) (13:51): Australian farmers take great pride in breeding and raising healthy, quality, well-cared-for animals. They were appalled by the footage of the mistreatment of animals in some Indonesian abattoirs. But they also know that in Indonesia there are at least seven A-grade facilities right now that could be accredited and processing animals.

The first ban was the right decision, but the second ban, the total ban, has been referred to as one of the most severe trade restrictions imposed by government on local industry in living memory. Today, there are people out of a job and with no income. How many people were put out of work the minute the ban was announced and how many people now are in very dire financial circumstances as a result?
This is not only an agriculture and biosecurity issue but an economic, foreign affairs and trade issue. We have offended our neighbours in Indonesia. It is a regional development and sustainability issue. It is an Indigenous employment issue and an issue for the thousands of families, individuals, contractors and small and large businesses that are directly and indirectly affected both here and in Indonesia.

Farmers right across Australia know that this decision has, or will have, an impact on them, no matter where they sell their animals. I notice that in Western Australia cattle are now being shipped to the south and the livelihoods of hundreds of cattle producers, transporters, truck drivers and people right across the trade are affected by this ban.

Military Working Dogs

Mr ZAPPIA (Makin) (13:53): On Tuesday, 7 June I attended a service at the Salisbury War Memorial to recognise military working dogs. On the day, a belgian shepherd named Ankcon and his handler, Paul Keily, laid a wreath at the memorial, as they had done at the Anzac service earlier this year. Military dogs and their handlers from the Air Force, Army, Navy and police were also at the service. I understand a similar service was held at the RAAF Base Amberley. The Salisbury RSL has had a long association with military dogs and hopes to make this an annual event. The 11 Australian military dogs from South Australia that served in the Vietnam War, helping to detect enemy soldiers and bombs, were trained by the Commonwealth Police at Salisbury dog kennels. Sadly, none of them returned home.

Australia has been well served by animals in combat zones. John Simpson and his donkey left their mark in World War I Anzac history as did the Australian Light Horse Brigade. The work of our military dogs has been, and continues to be, just as important and equally dangerous. The date 7 June was chosen to recognise the work of our military dogs and their handlers because it marks the anniversary of the deaths of explosives detection dog handler Sapper Darren Smith and his dog, Herbie. Both were killed after having detected a remotely controlled explosive device.

Five military dogs have now been killed in Afghanistan since they were first deployed in 2005. Military dogs provide invaluable service to our defence forces. The discipline and precision of the dogs on parade at the Salisbury service was a credit to their handlers. The service was a fitting recognition of them.

Barker, Mr Michael

Mrs MARKUS (Macquarie) (13:54): On Friday, 9 June I was delighted to present Michael Barker with an Australian flag. Michael is a wonderful young man who has been selected to represent Australia at the Special Olympics. In June of last year, Michael was selected in the Australian soccer team which will represent Australia at the Special Olympics. Michael will take the flag with him to the Special Olympics, which are to be held in Greece between 25 June and 4 July this year.

Originally joining the Special Olympics as a basketball player, Michael soon picked up soccer and swimming as additional sports. Michael has a long history of representation at state and national levels, with gold, silver and bronze medals in all of these sports. Michael's team is comprised of young men with an intellectual disability who are enthusiastic and excited to represent their nation. The understanding and support of the Special Olympics team provides an environment where hidden talents are revealed and new skills discovered. This opportunity allows participants to improve
their health and fitness, develop self-confidence and improve their social capacity.

I congratulate Michael on his selection, a reflection of his hard work and dedication to his training. I would also like to recognise the important contribution of Michael's mother, Diane, and his coach, Helen Stevens, in providing a launching pad for Michael to pursue his love of soccer and to represent this nation. Michael will make an outstanding ambassador for our nation and, indeed, for the people of Macquarie.

Road Transport Industry

Ms ROWLAND (Greenway) (13:56): I rise to support the Transport Workers Union's Safe and Fair Rates campaign to address the dire situation faced by the road transport industry, which has seen a tragic and totally unacceptable 6.6 per cent growth in the number of fatalities so far this year. In 2010, 330 Australians lost their lives because of the ongoing crisis in the road transport industry. The National Transport Commission's 2008 landmark report on addressing safety on our roads found that:

Economic factors create an incentive for truck drivers to drive fast, work long hours and use illicit substances to stay awake.

In my electorate of Greenway there are over 1,000 professional drivers, many of whom are at risk of falling victim to these factors if something is not done. Blacktown resident and ex-truck-driver of 45 years Mr Brian Thomas, whom I have previously mentioned in this place, has expressed to me the real dangers that all truck drivers face because of pressure from the top. He told me:

The fatigue and stress put on truck drivers is extreme. The big bosses push truck drivers too hard and demand they meet near-impossible targets. These demands put everyone in danger—the truckies and other road users.

That is why I support the TWU's call to urgently implement a 'safe rates' system that includes enforceable rates of remuneration and related conditions for employed truck drivers and self-employed truck owner-drivers that are safe and fair; an enforceable requirement on planning for the safe and legal performance of road transport journeys; and the establishment of a chain of responsibility.

I also take this opportunity to acknowledge retiring senator Steve Hutchins, who was, and will remain, a stalwart of the TWU, and his efforts to improve the lives of all professional truck drivers. (Time expired)

Kerr, Mr Graham

Mr VASTA (Bonner) (13:57): I rise today to speak about heroes—not typical heroes like sporting identities or celebrities, but everyday heroes we can all learn so much from. Graham Kerr is the hero I speak of today. Graham is a man who has surmounted a monumental setback in his life. He has risen above it, integrated into our society and given so much back to our community. Graham is a quadriplegic with no movement from his neck down and has been so since a tragic sporting accident at the age of 24 in 1980.

I came to know Graham through his thoughtful and measured correspondence with me when I was elected to office. I was immensely impressed by his unending passion for the welfare of others. Today I pay tribute to his fighting spirit and amazing reservoir of strength. He is an example to all of us to never give up and never give in, even in the face of overwhelming odds. Graham, you never stop championing the welfare of others. You give so much and you have taught me so much. I thank you and salute you. You are a true hero.

St George Illawarra Dragons

Mr STEPHEN JONES (Throsby) (13:59): No doubt there are many things that divide us on both sides of the House, but one
thing that all fair-minded representatives in this place would agree on is that the mighty St George Illawarra Dragons are undoubtedly the best team in the competition—a matter that I am sure the member for Barton would agree with. The biggest topic of conversation in the Illawarra at the moment is the renewal of the existing contract this year, keeping seven games for the mighty Illawarra Dragons in the Illawarra. Without this minimum number of games, the local fans would be severely disappointed. It is important for the local economy and important to ensuring that the Illawarra's overwhelming contribution to making the mighty Illawarra Dragons one of the best teams in the competition will be recognised. So I call upon the Dragons to ensure the Illawarra gets a fair shake at the number of home games we get to see.

**CONDOLENCES**

*Jones, Lance Corporal Andrew Gordon*

*Case, Lieutenant Marcus Sean*

**Report from Main Committee**

Order of the day returned from Main Committee for further consideration; certified copy of the motion presented.

Debate resumed on the motion:

That the House record its deep regret at the deaths of Lance Corporal Andrew Gordon Jones and Lieutenant Marcus Sean Case on 30 May 2011, while on operations in Afghanistan, and place on record its appreciation of their service to the country and tender its profound sympathy to their families in their bereavement.

The **SPEAKER**: The question is that the motion be agreed to. I ask all honourable members to signify their approval by rising in their places.

Question agreed to, honourable members standing in their places.

**QUESTIONS WITHOUT NOTICE**

**Occupational Health and Safety**

Mr **ABBOTT** (Warringah—Leader of the Opposition) (14:01): My question is to the Prime Minister. I refer the Prime Minister to her claim last year in answer to a question about her achievements that she had delivered national occupational health and safety laws. 'Some public servants actually had tears in their eyes,' she said, 'It wasn't easy,' she boasted, 'but I got it done.' Can the Prime Minister confirm that national OH&S laws have not been delivered and that the year of decision and delivery has become instead a year of backflips and broken promises?

Ms **GILLARD** (Lalor—Prime Minister) (14:01): I am afraid from his question that the Leader of the Opposition is betraying how little he knows about this important area of economic reform. What I was required to do in my capacity as the relevant minister was to work with state and territory colleagues around the country to enter an agreement which would enable parliaments around the country to enact model laws and then enable those model laws to be followed up with the required codes and regulations, which would mean that wherever you were in the country, wherever you worked, as a working person you would have the benefits of the same protections and standards and that, as an employer, you would not have to engage with different regimes in different parts of the country. The quote that the Leader of the Opposition is referring to is my quote about what happened at the ministerial council the day that we struck this historic agreement. That was a very important moment of microeconomic reform, 30 years in the seeking, which was then delivered through that agreement between ministers, and that agreement is being actioned. The only
problem, of course, with actioning that agreement has been the issues of the Liberal government in Western Australia, which wanted in part to stand outside the system. I say to the Leader of the Opposition—

Opposition members interjecting—

The SPEAKER: Order! A question has been asked, and the Prime Minister is responding to it. The Prime Minister should be heard in silence.

Ms GILLARD: Thank you very much, Mr Speaker. We continue to work through with the government of Western Australia, and I was very pleased to see their cooperative attitude.

In coming to this parliament and playing politics with this matter, what the Leader of the Opposition is really betraying is that he does not care anything about the future of our country and the strength of our economy. First and foremost, I would say to the Leader of the Opposition: if he really thinks these major microeconomic reforms are so easy, why wasn't it achieved under the Howard government? In 11 long years, this microeconomic reform was never achieved under the Howard government. COAG after COAG, then Prime Minister John Howard would go and sit down with his counterparts and enter agreements saying that he was going to get it done, and it never got done. It took this Labor government to strike this agreement after more than a decade of neglect by those opposite.

If those opposite are in any doubt about the power of this agenda—this agenda we continue to pursue for a seamless national economy—then I suggest they put down their politics of protest for two or three minutes and actually go and talk to some of Australia's leading businesspeople who have been here in the parliament for the Business Council of Australia meeting. What they will find is not underestimation of the significance of this reform; they will find deep understanding of the significance of this reform. They will also, if the Leader of the Opposition wants to ask them, wonder with him why this reform was not progressed under the Howard government. So to the Leader of the Opposition I would say: when you have a track record of no achievement, it seems a little bit odd to be criticising those who have achieved.

Mr Abbott: Mr Speaker, on a point of order—

The SPEAKER: The Prime Minister has concluded.

Economy

Ms O’NEILL (Robertson) (14:06): My question is to the Prime Minister. How is the government acting to keep the economy strong, undertake reforms in the national interest and ensure we extend the benefits of opportunity to all Australians?

Mr Ciobo interjecting—

The SPEAKER: The member for Moncrieff is warned. The Prime Minister now has the call and she will be heard in silence.

Ms GILLARD (Lalor—Prime Minister) (14:07): I thank the member for Robertson for her question. I know she is interested in the future of this country and in the future of her constituents and their ability to have opportunity and prosperity.

Mr Simpkins interjecting—

The SPEAKER: The member for Cowan is warned.

Mr Lyons interjecting—

The SPEAKER: The member for Bass is warned.

Ms GILLARD: I understand that those from the opposition are not at all interested in these questions, but the member for Robertson rightly is. She asked me about the
government's policies and plans to keep our economy strong. Mr Speaker, let me assure you and the House that there is nothing more important to this government than keeping the economy strong so Australians have the benefits and dignity of work.

To keep our economy strong in this phase of our economic development we need to bring the budget back to surplus, which is why the recent budget delivered the fastest fiscal consolidation in 40 years.

*Mr Hockey interjecting—*

**The SPEAKER:** The member for North Sydney.

**Ms GILLARD:** I am proud of that budget and proud of that achievement.

*Mr Hockey interjecting—*

**The SPEAKER:** The member for North Sydney.

**Ms GILLARD:** It stands in stark contrast to the black holes and failure to account of those opposite.

*Mr Hockey interjecting—*

**The SPEAKER:** The member for North Sydney is warned.

**Ms GILLARD:** If you are going to keep your economy strong, you need to be able to address those problems that come from time to time—those things that Mother Nature throws at you. Our nation had a very difficult summer. To keep our economy strong for the long term, we need to rebuild. I am proud that we were able to work through to structure a progressive flood levy to fund the rebuilding. I am also pleased that we were able to find the tough cutbacks necessary to rebuild Queensland and the nation. We are making progress, with 6,600 kilometres of roads repaired, 411 affected schools reopened and significant commitments to the Bruce Highway and to the Warrego and Landsborough highways so that they can be rebuilt after the flooding.

In addition, the government is determined that the nation builds for the future. As Prime Minister, I am not going to put this nation's future in the too-hard basket. That means that we do have to step up and deal with the challenge of climate change by getting polluters to pay, and we will do that. It means that we have to roll out the technology of the future—the National Broadband Network—which is why I am pleased that we were able to commence development not only in Tasmania but on the mainland, and to achieve the microeconomic reform of the structural separation of Telstra, something that eluded the Howard government year after year.

We want to be investing in what Australian families need. Of course they need jobs, but they also need great quality education services. Along with our schools reforms, childcare reforms and university reforms, I am pleased we were able to deliver the $3 billion skills package in the recent budget. I am pleased that we have been able to strike a breakthrough health agreement to ensure that there are more doctors, more nurses, more local control and less waste. I am also pleased that we have been able to work with Australian families to slightly alleviate the cost-of-living pressures they face, with new money for families of teenagers and with school uniforms being added to the Education Tax Refund program to take a little bit of the pressure off.

As Prime Minister, I am determined that we will keep the economy strong and that we will keep spreading the benefits of opportunity and prosperity to Australians. We are driven by getting results for the Australian nation, unlike those opposite, who are always diverted by the politics and the cheap political stunts.
Foreign Affairs

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (14:11): My question is to the Minister for Foreign Affairs. I refer him to the tensions that have been created in our relationship with Indonesia over the live cattle export ban, with East Timor over the regional processing centre, with Malaysia over the people swap deal and with Papua New Guinea over the stalled proposal to reopen the detention centre there. When will the foreign minister travel to Jakarta, Dili, Port Moresby and Kuala Lumpur to stem the damage that is being done to the relationships we have with our nearest neighbours?

Mr RUDD (Griffith—Minister for Foreign Affairs) (14:12): The first thing I would say to the Deputy Leader of the Opposition is that Australia's relationships with the region are in excellent shape. Over the course of the last several years we have had to deal with certain legacy problems from those opposite. I draw the attention of honourable members to, for example, the relationship with Indonesia. I remember, as a member of this place within the last decade, an Indonesian government that would not pick up the phone to Prime Minister Howard, an Indonesian government that just opened the doors when it came to the flow of people through the Indonesia archipelago and a whole range of other measures by the then President of Indonesia because the state of the relationship with Australia was so poor.

The Deputy Leader of the Opposition talks more broadly about our engagements with the region. On the question of the negotiations in which the Minister for Immigration and Citizenship is currently engaged, we have together contributed processes such as the Bali process, which for the first time brings about a regional framework agreement and for the first time incorporates international legal standards into the way in which we operate assessment centres and undertake processing within our neighbourhood. On top of that, it provides specifically for the existence of assessment centres in the region, the first of 13 regions around the world to arrive at such an agreement. That has been made possible because we have an excellent fabric of relationships upon which to build such arrangements.

The Deputy Leader of the Opposition also spoke about the relationship with East Timor. The relationship with East Timor is in first-class working order. If anyone bothered to survey the detail of that in terms of Australia's ongoing engagement on the ground in Dili and the overall development program within East Timor, they would understand what is being invested in roads, what is being invested in hospitals, what is being invested in schools and the fact that we stand solidly by the people of East Timor in the long-term economic development of that country.

I also say to the Deputy Leader of the Opposition, on her question about Papua New Guinea, that Australia proudly stands as the single largest source of external development assistance to the people of Papua New Guinea. That is why we are making a difference with HIV/AIDS infections in Papua New Guinea. That is why the overall primary school attendance ratio within Papua New Guinea has gone up 10 per cent in the last 18 months. That is why we are building roads across Papua New Guinea in partnership with the government of the country. That is why I, together with other government ministers, continue to be in direct engagement with our South Pacific counterparts.

If the Deputy Leader of the Opposition also paid attention to today's reports she...
would have noticed that changes have now been made to the cabinet of Papua New Guinea. There is now a new foreign minister and a new finance minister. Because there has been a recent period of instability within the PNG government, it has been difficult to engage directly without being directly intrusive in the internal political affairs of that country. I look forward to visiting PNG at the earliest opportunity, having already spent a considerable amount of time on the phone and in the flesh with the current and continuing Prime Minister of Papua New Guinea, Sir Michael Somare. That relationship, together with the others I just referred to, is in first-class working order, having cleaned up some of the wreckage left behind by those opposite.

**Ms JULIE BISHOP** (Curtin—Deputy Leader of the Opposition) (14:16): Mr Speaker, I have a supplementary question. Will the foreign minister advise the House when he intends to return to Bougainville?

**Mr RUDD** (Griffith—Minister for Foreign Affairs) (14:16): The Deputy Leader of the Opposition asks about Bougainville. I say to the Deputy Leader of the Opposition as she embarks on one of her first visits to Bougainville in the next week or two something which the House may not be apprised of. The Australian government remains deeply seized of the Bougainville peace process, the upcoming referendum on Bougainville's future and therefore what we must do as a country to ensure that that peace process is brought to its proper conclusion. That is why Australia is directly engaged. That is why we continue to be engaged with our friends in Papua New Guinea and across the Pacific Islands Forum.

*Mr Pyne interjecting—*

**The SPEAKER:** The member for Sturt is warned.
went on at the height of mining boom mark 1 because that was a spending spree which put pressure on inflation and saw interest rates go up 10 times in a row. There is a stark contrast between the approach of those previously in government and what we are doing. We are putting in place very substantial savings. In this budget, there is $22 billion worth of savings. That is absolutely essential to strong economic management and maintaining strong growth, particularly job creation growth.

The record of the government here was recognised by the Reserve Bank in their minutes published a couple of days ago where they made the point that fiscal policy will deliver a significant contraction of demand over the next couple of years. But this can only be done if our savings pass the parliament. Those opposite are currently blocking something like $6 billion worth of savings, having already opposed in this House something like $7 billion worth of savings, including one measure to do with alternative fuels which was a measure of the previous government. The fact is that you cannot keep saying that you support a return to surplus while trying to block the savings which was a measure of the previous government. The fact is that you would be doing with this approach if they were in power is delivering deficits right across the forward estimates. They are still trying to wreck the surplus and all of the consequences of that for jobs.

All of the stunts and all of the three-word slogans are not a substitute for an economic policy. We on this side of the House have a strong economic policy which supports strong job growth. For those on that side of the House, when it comes to economic policy, the cupboard is simply bare. We find this is the case when it comes to the reform of our banking sector. This government is committed to a stable and competitive banking sector, which is why we were absolutely stunned by the effort of the shadow Treasurer and those opposite to bring back mortgage exit fees. They claim to be concerned about the cost of living, but in their attempt to bring back unfair mortgage exit fees they are pushing up the cost of living for thousands of Australians. This measure is terribly important to get rid of unfair mortgage exit fees. In the Senate they were trying to also— (Time expired)

Carbon Pricing

Mr PYNE (Sturt—Manager of Opposition Business) (14:22): My question is to the member for Makin in his capacity as Chair of the House of Representatives Standing Committee on Climate Change, Environment and the Arts. Has the committee he chairs been requested by the government, or does it intend to ask the government for a reference, to inquire into the regional employment effects of a carbon tax?

The SPEAKER: Order! The Leader of the House and the Chief Government Whip can resume their places. Yesterday I was referred to page 536 of Practice by those who pleaded the case for the question by the Leader of the Nationals. I should have learnt my lesson earlier on other subjects and read either page 535 or page 537 at that time. Honourable members who want to pursue this line of questioning should read on beyond page 536 to page 537, where they will see the reasons that, I think, are very important in ruling this question out.

Mr Pyne: Mr Speaker, I rise on a point of order. While I respect your ruling in relation to this question, I would make the following points: (1) there are precedents for this question going over many decades; (2) previous Speakers have allowed such questions in the past; and (3) there is no argument, no debate in this question—it is a completely straight question to the chair, as
you are well aware. So I take it from what you have just said that you have decided, as the Speaker in this parliament, that no such questions will be allowed.

The SPEAKER: All I am saying is that there are plenty of precedents where questions of this ilk have not been allowed. It has been acknowledged that there is a narrow window of opportunity to ask other members questions about matters for which they are responsible. One of the overarching reasons for my decision, which I believe is important, is that if the member for Sturt were to read page 537 he would understand that it would be inappropriate, given the conventions of the way in which we conduct our committee system, for a chair—even if there had been discussions—to report matters not previously reported to the chamber and to do so without discussing it with the committee. That is the point that is clearly made on page 537.

Mr Pyne: Mr Speaker, on the point of order: this is an important threshold question for this parliament, and obviously, having been here for some time, I have not just read one page of Practice. I would point out to you that there could be nothing narrower than asking whether a chair has been requested by the government or intends to seek a reference, but I take it from what you have said that you have decided that chairs will not be asked such questions. While we abide by your ruling, it is out of step with the precedent that was established in 1957. But you are the Speaker and we accept your decision.

The SPEAKER: I am happy to be reminded of precedents right back to Federation. That is okay. It is clearly outlined in Practice that there are many situations where from time to time there are rulings that would appear to be inconsistent with other rulings. What I have indicated is that I will attempt to be consistent. To the extent that I am being consistent today with my ruling of yesterday, I think that gives guidance to the member for Sturt.

Asylum Seekers

Mr MITCHELL (McEwen) (14:27): My question is to the Minister for Immigration and Citizenship. How is the government delivering on its plan for a regional cooperation framework on people smuggling and irregular migration? What role have visits to Malaysia by Australian officials and members played in supporting discussions with the Malaysian government on the proposed transfer agreement? How has this approach been received and what is the government's response?

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (14:28): I thank the member for McEwen for his question. The Gillard government is delivering on a regional framework to both break the people smugglers' business model and improve protection outcomes for genuine refugees across the region. As part of this, of course, we have reached an agreement with Malaysia that will see 800 asylum seekers transferred to Malaysia while Australia resettles 4,000 refugees over the next four years. This will see Australia's humanitarian intake increase to its highest level since Labor was last in office, in 1996. That is something this side of the House is very proud of. That is an essential part of our framework: resettling more refugees who have been waiting for resettlement mandated by the United Nations convention on refugees. The opposition says that this is unfair. The opposition says that we are resettling too many refugees from Malaysia and that is unfair. We disagree. We say that it would be unfair not to. I am asked about the role that visits to Malaysia have played in this process. It is the case that in the nine
months I have been Minister for Immigration and Citizenship I have been to Malaysia four times to discuss, with not only ministerial counterparts but Malaysian line agencies, models which could improve our system of breaking the people smugglers' business model. I have been discussing with the UNHCR and the IOM in Malaysia protections that can be put in place for the 800 people we are transferring to Malaysia.

I saw on the weekend that the member for Cook has announced he will go to Malaysia as well. I thought: 'Maybe this is a good thing. Maybe this shows he is reconsidering his position. Maybe if he goes to Malaysia he might change his mind about the government resettling 4,000 people from Malaysia over the next four years. He might think that is a good idea. He might see, if there are appropriate protections in place, that the transfer of people from Australia to Malaysia is a good thing. This might be a genuine fact-finding mission.' But, alas, it will shock the House to learn that that is not the case. This is not a genuine fact-finding mission. It is a stunt. He has said that, no matter what he sees in Malaysia, it will not change his mind.

I have said that this is a stunt that will go down in the Guinness Book of World Records. It is hard to think of a bigger stunt than going to another country to attack this government and that government, except perhaps for calling a plebiscite which is not going to change your mind either. That might be bigger. That is an argument the House might want to have.

This is such a negative opposition that it is not good enough to stay in Australia and attack this government; they go to another country and attack their government as well. That is how negative this opposition has become. This underlines the hypocrisy of the opposition. This hypocrisy goes to several levels. We know that the member for Cook has suggested a transfer arrangement, not with Malaysia—in fairness—but with Iran. We know that. But there has been an interesting development. Some honourable members would have seen the member for Cook on Lateline last night. For those who did not, I feel obliged to inform the House that he has backtracked on the agreement with Iran and said:

It wouldn't be a bilateral deal involving Australia or even one that Australia would advance.

When in November he said:

In my view, Australia's participation in a regional solution for Afghanistan should seek to trade off Australia taking more refugees …

He went on to say that this would deal with asylum claims through illegal entry to Australia. It sounds like a deal that Australia would be involved in to me, but maybe I am wrong about that or maybe he is backtracking because he has not been able to negotiate protections with President Ahmadinejad, or maybe he is about to announce a fact-finding mission to Tehran. We wait to see with interest.

Carbon Pricing

Mr TRUSS (Wide Bay—Leader of The Nationals) (14:32): My question today is to the Treasurer. I refer the Treasurer to the comments of the Mackay Canegrowers chairman, Paul Schembri, that a carbon tax would be 'a lead weight around the neck of the sugar industry'. Will the Treasurer guarantee that no job will be lost in the sugar industry as a result of the carbon tax?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:33): I thank the member for his question. I will make the point again that we can grow strongly and we can at the same time substantially reduce carbon pollution. We can do that and we must do that if we are going to be a prosperous economy into the future. All of the modelling, all of the evidence and all of the reports that we have received show a
number of things. They show that economic growth will remain strong. They also show that incomes growth will remain strong. They also show that jobs growth will remain strong. They show all of those things and they also show that the costs of inaction are far greater than the costs of action. They show that we can be a prosperous, growing economy where industries like the sugar industry do well.

We have heard a lot from a number of the members from regional Queensland—whether it is Mackay, Rockhampton, up around North Queensland or further up to Cairns—about growth. We know that we have a very strongly growing resource sector in that state, with very strong investment. We know that a carbon price will in no way endanger those industries. Those industries will be strong. Those industries will continue to grow and they will continue to grow because many of the investors in those industries have already factored a carbon price into their investments. We know all of those things.

What we have from those on the other side of the House is a continuing scare campaign. They know that other countries are moving to reduce their carbon pollution. They know that we are a great trading nation and that, if we do not take action in this area into the future, many of our great export industries could be in danger of trade sanctions from other countries. So, whether it is the sugar industry or whether it is the coal industry, everybody has a stake in putting in place a price on carbon so we can grow responsibly and reduce our carbon pollution.

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

The SPEAKER: Treasurer, have you concluded? Yes, he has concluded.

Workplace Relations

Mr NEUMANN (Blair) (14:35): My question is to the Minister for Regional Australia, Regional Development and Local Government and Minister for the Arts, representing the Minister for Tertiary Education, Skills, Jobs and Workplace Relations. Why is the government committed to Fair Work Australia? Are there any threats to the conditions of Australian workers?

Mr CREAN (Hotham—Minister for Regional Australia, Regional Development and Local Government and Minister for the Arts) (14:35): I thank the member for Blair for his question. He, like me, is proud to be part of the Labor Party, which is committed to protecting workers’ rights. That is why the first act of this government when it came in was to remove Work Choices and implement Fair Work Australia, an initiative that was steered by the current Prime Minister in exhaustive negotiations with all of the parties to get the balance back into the system that the other side had stripped away. It was built around the principle of recognising the importance of collective bargaining, of requiring the parties to bargain in good faith and ensuring that, where differences could not be resolved, they would go to an independent umpire. Not only did this reintroduce fairness to the system; it also underpinned the prosperity that this nation has experienced over the last three years, with increased jobs—some 740,000, as the Treasurer has talked about, with half a million more in prospect. We have seen a fall in industrial disputes and we have seen economic growth and wages growth.

I am also asked if there are any threats to the system. Yes, there are. They have already begun in New South Wales, hardly a couple of months into the term of a new coalition government. Last Thursday, legislation was passed in the New South Wales parliament
that will enable the government to direct by regulation the New South Wales Industrial Relations Commission—in other words, stripping out the role of the independent umpire. The first regulation that appeared under this legislation was gazetted on Monday, and it has put a cap on the wages of state employees. This has undermined the very principles that we have fought for, and it had nothing to do with what they promised during the election campaign because Premier O'Farrell said, 'We are committed to retaining the current system.' How many times do we hear it said on the other side that they are not committed to returning to Work Choices?

The threat does not stop with the New South Wales parliament. Last Wednesday, in this parliament, the member for Kooyong entered this debate. His contribution to this debate, after going through a litany of criticism about what was wrong with Work Choices, was to say that it is now time to 'speak out for change'. He then gave Michelle Grattan a backgrounder indicating that he was part of the push to try and get the Leader of the Opposition to return to Work Choices, to give them more flexibility. But, if there was any doubt about what the intention of this new ginger group is on industrial relations, it turns out that the member for Kooyong is also a supporter of the return to the presidency of the Liberal Party in Victoria of one Peter Reith. Remember Peter Reith—the man of the balaclavas?

Mr Pyne: Mr Speaker, a point of order: it is one thing to have the daily 'break glass' Work Choices question and answer from the government to try and cover their embarrassment—

The SPEAKER: Order! There is no debate in a point of order.

Mr Pyne: but the minister has no responsibility for the internal organisational matters of the Liberal Party. I ask you to tell him to return to the question.

The SPEAKER: I remind the minister of the requirement to relate his material directly to the question for the 21 seconds he has left.

Mr CREAN: The member for Kooyong, in endorsing Mr Reith, talked about Mr Reith's reformist credentials, but his reforms were to introduce Work Choices. That is what they want to return to. They are not reformers. In terms of Work Choices, the coalition has form. They will return to Work Choices and we will oppose it.

(Time expired)

Carbon Pricing

Mr TEHAN (Wannon) (14:41): I refer the Treasurer to a fact sheet from a group including the Australian Conservation Foundation, the Australian Youth Climate Coalition, Environment Victoria and Greenpeace, which claims:

... if Alcoa's aluminium smelting did go overseas, there would be a direct environmental benefit even if the same quantity of aluminium was produced.

Does the Treasurer agree that relocating Australia's aluminium industry, including Portland Aluminium in my electorate, to countries that do not impose a tax on carbon would help reduce global emissions?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:42): No.

Native Title

Mr KATTER (Kennedy) (14:43): Mr Speaker—

The SPEAKER: The members for Denison, O'Connor, Lyne and New England will remove those hats. I appreciate they might think it is party time when the member for Kennedy has the call.
Mr KATTER: They may advance their cause by association, Mr Speaker.

The SPEAKER: The member for Kennedy has the call for a question.

Mr KATTER: My question without notice is to the Prime Minister. Is the Prime Minister aware that in all states, on the 25 per cent of land supposedly owned by first Australians, it is not legally possible to own land? There is no provision for the issuance of a title deed. In light of the recent death of Eddie Holroyd, the last holder of a title deed issued under the Queensland lands act amendment (Aboriginal), abolished in 1993, could the Prime Minister assure the House that the work of Holroyd, Shortjoe and Edwards, who took Pormpuraaw cattle numbers from 363 to 6,000, will not be in vain and that title deeds, the only pathway to economic development, will be provided? Or are our first Australians going to continue to be the only people on earth still deprived of the right to own their own home? (Time expired)

Ms GILLARD (Lalor—Prime Minister) (14:44): I thank the member for Kennedy for his question—and obviously he is joined by some friends down that end of the parliament! Can I take the opportunity to acknowledge some friends in the gallery from Modbury High. The member for Makin I think is particularly pleased to see them here.

But if I could now directly respond to the member for Kennedy’s question. The member for Kennedy has raised this matter with me on a number of occasions privately, and I know that he is very concerned about it and it has been something that he has pursued across a lifetime of political work, not only here in this parliament but in the Queensland state parliament beforehand. I know that when he was Queensland state Minister for Aboriginal Affairs he introduced far-reaching land reforms to try and assist with this question of title. Even today these leases that he created when he was the relevant minister are known as ‘Katter leases’, and I think that is a great tribute to him. It was one of the first attempts to harness the land to enable economic development for Aboriginal people, and I know he is proud of it.

As the member for Kennedy is aware, the Queensland government has legislated land tenure changes on Indigenous land and is developing the necessary land administration systems in remote Indigenous communities to enable long-term leasing. In Queensland the Aboriginal Land Act 1991 and the Torres Strait Islander Land Act 1991 were amended in 2008 to allow long-term leasing of up to 99 years of community title land for private residential and commercial purposes. No 99-year leases have been entered into as yet, as the necessary survey work needs to be done.

The Queensland Department of Environment and Resource Management has released a discussion paper about the way we can potentially enhance the utility of these leases for commercial and private residential purposes. And the proposed amendments also provide measures for regularising these estates with the balance of Indigenous lands to facilitate further economic development.

So I understand that, from the point of view of the member for Kennedy, progress in this matter has been painfully slow, because he did such good work when he was in the Queensland parliament. I know that he is aware that there is a need here to work with community ownership structures but to give sufficient security to private individuals such that they are able to have homes, and have a connection to their homes in the same way Australians generally want that connection with the place they call home, and to have the ability to develop viable
businesses that can then be sold so that the labour that you put into your business not only supports you in an income sense but also builds up capital for you when you want to realise that capital. So we are working through that with the Queensland government; we will continue to do so. I can understand the member for Kennedy's frustration that he would like to see quicker progress, but progress is occurring.

**Paid Parental Leave**

Ms VAMVAKINOU (Calwell) (14:47): My question is to the Minister for Families, Housing, Community Services and Indigenous Affairs. Minister, how has the Gillard government delivered Australia's first national paid parental leave scheme?

Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (14:48): I thank the member for Calwell for her question and for her long campaigning for paid parental leave, not just in her own electorate but across the country. When the government's paid parental leave scheme started on 1 January this year Australia finally caught up with the rest of the developed world. It has been a very, very long time coming. Australian families have waited decades for this historic reform. And of course it is a fundamental reform that was delivered by this Labor government, a reform that so many people in our community campaigned for and is now operating.

Since the scheme began 65,000 new and expecting parents have claimed parental leave. Right now more than 30,000 new parents are receiving the government's paid parental leave, so there are 30,000 families benefiting. The good news is that Australian businesses are also playing their part. Employers have been able to register since 1 January and also start providing government funded paid parental leave to their long-term employees. We now have more than 8,000 employers already registered and 400 employers playing their part, providing government funded paid parental leave to their employees. The employer role will be fully implemented from 1 July, so very soon we will have the full implementation of this part of the paid parental leave scheme—and I would encourage all employers to register and get ready for the benefits that will flow as they are able to provide paid parental leave to their long-term employees. I think we know, and employers who are already using the scheme know, it does provide great benefits to their employees. We know that women return to work after taking time off for their babies, and they are much more likely to do that if they receive paid parental leave.

We have also made sure that the scheme that we are establishing is as easy as possible for businesses. Business will get the money upfront. We will make sure that they get their money upfront from the government and that they are able to pay their employees using their usual pay cycle. They will not have to have any special accounts or any special reports. One of the things that the Minister for Human Services and I did yesterday was release a toolkit for employers so that they have more information available for them and they know what they can do from 1 July.

By contrast, of course, what we see from those opposite, from the Leader of the Opposition, is a policy that costs $4.5 billion a year and needs a new tax from the Leader of the Opposition to pay for it.

Mr Pyne: Mr Speaker, I rise on a point of order. I would ask you to direct the minister to be directly relevant to the question rather than this very long bow which she is now drawing.
The SPEAKER: The Manager of Opposition Business will resume his seat. The minister will actively bring her response to a close.

Ms MACKLIN: It is this Labor government that is delivering for mums and dads. We are making sure that they have paid parental leave.

Carbon Pricing

Mr CHESTER (Gippsland) (14:52): My question is to the Treasurer. I refer the Treasurer to the report of the Australian Energy Market Commission that warns a carbon dioxide tax will reduce the value of electricity generators' assets and reduce their ability to raise capital. Will the Treasurer guarantee that the carbon dioxide tax will not lead to power disruptions or the forced shutdown of power stations such as those in the Latrobe Valley in my electorate?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:52): We know that a market price is the best way, the least-cost way, of reducing carbon pollution. We also know that in doing that our economy does have to make a transition, because we have to reduce emissions and we have to do it particularly when it involves some of those institutions, such as power stations, which are emitting very large amounts of carbon pollution. Those on that side of the House, in name anyway, share something in common with the government—that is, they have a commitment to reduce emissions by up to five per cent. So everybody in this House knows that we will have to reduce our emissions, particularly from those power stations which are least efficient. That is well known by everybody on both sides of the House, and we should stop the hypocrisy that is coming from that side of the House, which somehow pretends that there will not be some actions taken in this area.

What this government is committed to, however, is ensuring the energy security of our nation. We are absolutely committed to that. We are absolutely committed to assisting our energy-intensive trade-exposed industries in that transition. So we have said very clearly about the revenue which will be raised from a price on carbon that it will go to households but also to industry. We have made that very clear because we, unlike many on that side of the House, understand and believe in the science of climate change and we cannot put our heads in the sand and ignore this challenge. So with us you will get a clear plan for the future which will assist households and a clear plan for the future which will assist industry. That stands in stark—

Mr CHESTER: 'Coward'.

Ms Gambaro: Mr Speaker—

The SPEAKER: Before giving the call to the member for Brisbane, given that nobody in the previous interchange had the call, whilst people in the chamber heard it and it was unnecessary behaviour, I was willing to leave it at that. The member for Brisbane on a point of order?

Ms Gambaro: Mr Speaker, I wish to withdraw as well. I said the word 'coward'.

An honourable member: What did you say?

Mr Chester: 'Coward'.

Mrs Mirabella: What a coward!

The SPEAKER: Order! The member for Indi will withdraw.

Mrs Mirabella: I withdraw.

The SPEAKER: I thank the member. The member for Chisholm.

Mr Chester: If it will assist the House, I will withdraw as well.
Mr Pyne interjecting—

The SPEAKER: Order! The member for Sturt should not get actively involved. The member for Brisbane will leave the chamber for one hour under standing order 94(a).

The member for Brisbane then left the chamber.

Mr Truss interjecting—

The SPEAKER: The Leader of the Nationals is fully aware that that is not the crime. The member for Chisholm has the call.

Health

Ms BURKE (Chisholm) (14:55): My question is to the Minister for Health and Ageing. How is the Gillard government delivering to improve care for patients and create a more sustainable health system? What reaction has there been to this plan and what is the government’s response?

Ms ROXON (Gellibrand—Minister for Health and Ageing) (14:57): I thank the member for Chisholm for her question because—

Mr Tudge interjecting—

Ms ROXON: unlike those members opposite, she and those on this side of the House—

The SPEAKER: The member for Aston will leave the chamber for one hour under standing order 94(a).

The member for Aston then left the chamber.

The SPEAKER: The minister has the call.

Ms ROXON: I thank the member for Chisholm for her question, because she is interested, unfortunately the opposition health spokesperson has not asked a question about all of our health investments for nearly two years.

Opposition members interjecting—

The SPEAKER: Order! The minister will go to the question.

Mr Dutton interjecting—

The SPEAKER: Order! The member for Dickson will cease interjecting. The minister will return to the question.

Ms ROXON: Two years is so long ago that the member for Dickson was actually looking for a condominium down in Surfers Paradise that long ago but now—

The SPEAKER: The minister will return to the question.

Ms ROXON: So our health reforms, which have been asked about multiple times from our side of the House, are already delivering hundreds of beds across the country, hundreds of extra doctors across the country and new mental health investments across the country, and there has not been a single question from the opposition health spokesperson to me about billions and billions of dollars of investments. Why is that?

Opposition members interjecting—

The SPEAKER: Order! The minister has the call and she will be heard in silence.

Ms ROXON: Our investments, billions of dollars of investments, in health reform are delivering to patients across the country just as we speak. There are now 900 GPs in training this year, when the Leader of the Opposition put a cap in place such that only 600 GPs could train each year. There are more than 1,300 new beds being opened up across the country, including 300 in New South Wales that have already been delivered, 400 that are starting to be opened in Victoria, 150 extra mental health beds and
equivalents that are opening up in South Australia and mental health investments in Queensland. And I have not had a single question from the health spokesperson opposite about any one of these investments. Why is that? Why have there been no questions? Because the Leader of the Opposition, as the health minister, did not fix these problems. It has been our government, with a deal that was reached by the Prime Minister in April this year that has enabled us to deliver these reforms. Look at some other investments: the specialists that are being funded to be trained, particularly in rural and regional Australia, where I know that our crossbench members are particularly interested—518 specialists, more than half of whom are now working in rural and regional areas. That is a ninefold increase from when the Leader of the Opposition was the health minister. I have not had a single question about these investments. Why? Because these investments matter to patients, these investments matter to consumers, and the Liberal Party are more interested in their petty politics than they are interested in delivering to patients across the country.

Mr Tony Smith: Go back and sign some letters.

The SPEAKER: The member for Casey is warned!

Mr Mitchell interjecting—

Mrs Mirabella: How did the fundraising go?

The SPEAKER: Order! The member for McEwen and the member for Indi can discuss fundraising outside the chamber if they like.

Mr Laming: Go take a smoko.

The SPEAKER: I appreciate that, but the member for Bowman might get to talk to himself outside if he continues to interject.

Asylum Seekers

Mr MORRISON (Cook) (15:02): My question is to the Prime Minister. I refer the Prime Minister to her 7 May announcement that a memorandum of understanding with Malaysia would be concluded in the near future. Given that it is over seven weeks since then, why did she rush to announce something as important as this before critical issues surrounding human rights had been resolved and before agreement had been reached about the repatriation of unaccompanied minors and asylum seekers without identification? Is it not time that she swallowed her pride and asked the foreign minister for some help?

Ms GILLARD (Lalor—Prime Minister) (15:02): In answer to the shadow minister's question, I believed it was appropriate to provide information to the Australian community about the approach we were taking. When I was in a position to release a joint statement with the Prime Minister of Malaysia, I did. I believe that provided advice to the Australian community about the government's approach. Of course we are continuing to pursue discussions with Malaysia, as the shadow minister is aware. Those discussions are in an advanced state. I trust that when the shadow minister travels to Malaysia soon he does not conduct himself in a manner that is inappropriate for a member of parliament when overseas.

Australian Natural Disasters

Ms LIVERMORE (Capricornia) (15:03): My question is to the Attorney-General. How is the Gillard government delivering for those communities that are rebuilding following natural disasters over the summer?

Mr McCLELLAND (Barton—Attorney-General) (15:04): I thank the member for Capricornia for her question. I commend the work she has done representing her electorate during a spate of natural disasters
and those on both sides of the House who have done an excellent job in that respect. The winter has given us a reprieve, I suppose, from the cyclone season and from bushfires, but regrettably not so with respect to floods. Just this week, we declared four additional local government areas as being flood affected. They were in the mid-North Coast and the Hunter regions of New South Wales, making a total of 18 local government areas entitled to assistance.

Natural disasters are of course just that: a natural part of our environmental history. But so is the ability of the Australian people to respond and to bounce back from those disasters. Communities all around Australia are rebuilding and indeed rebuilding so that they are even stronger and more resilient. The federal government are assisting in that respect. For instance, in Queensland we have made an advanced payment of some $2½ billion for the reconstruction effort. So far much is occurring: 6,627 kilometres of roads have been repaired of the 9,170 kilometres damaged; 4,421 of rail repaired of a total of 4,748; 411 schools have been re-opened and 11 ports; and, in the member for Capricornia's electorate, with the Queensland government we have given $900,000 to the Rockhampton Regional Council to undertake emergency repairs on the runway at the airport.

In the longer term, we are contributing $144 million to repairs of the Bruce Highway near Cardwell; in south-west Queensland, $192 million to repairs to the Warrego and Landsborough highways; $84 million to Cunninghams Gap; and, in the Mackay and Whitsundays regions, we are contributing some $300 million to repairs to the regional roads. That project alone is going to result in 1,050 jobs repairing some 257 kilometres of roadways. Other communities around Australia are also being assisted. The Minister for Regional Australia, Regional Development and Local Government announced low-cost loans for those areas affected by the recent Victorian floods for businesses, primary producers and not-for-profit organisations. In Western Australia, the Gascoyne region was also affected by floods. We have undertaken repairs to the North Western Coastal Highway, and also main roads have been reopened around the Gascoyne Junction. Assistance has also been provided under the Natural Disaster Relief and Recovery Arrangements to New South Wales, South Australia and Tasmania.

Around Australia we are in a situation where we are now transitioning from disaster recovery to long-term reconstruction. To have achieved so much in such a relatively short period of time is quite remarkable. That is a tribute to governments of all persuasions around the country working in partnerships and with non-government organisations. Wherever possible we are focusing on betterment—that is, ensuring that any repair and reconstruction work is at a higher standard. This is going to make our country in turn more resilient and in the future more capable of preventing, responding to and recovering from natural disasters that are a natural part of our environment.

Asylum Seekers

Mrs MARKUS (Macquarie) (15:08): My question is to the Prime Minister. Can the Prime Minister confirm that immigration laws are enforced in Malaysia by a 500,000-strong volunteer police force and that the US State Department has cited reports of this force engaging in abuses including rape, beatings and extortion? Given that the US State Department has cited no such concerns with respect to Nauru, why won't the Prime Minister swallow her pride and pick up the phone to the President of Nauru or, failing
that, at least pick up the phone to the foreign minister?

Ms GILLARD (Lalor—Prime Minister) (15:08): In relation to the member's question I would say the following: as she would be aware from the statements I have made and the minister for immigration has made in this place and also in the media, we are going to agree with Malaysia that the human rights of asylum seekers transferred to Malaysia are respected.

On the question of Nauru as an alternative to Malaysia, I want to send the strongest possible message to people smugglers. I want to break the very business model for the business that they ply. I understand that the Leader of the Opposition, the shadow minister and the member who asked the question want to send a much weaker message to people smugglers. I will leave them with the weaker policy. The government will pursue the stronger policy. The stronger policy is a transfer agreement. The stronger policy is being able to say to people smugglers and to asylum seekers, 'If you risk your life at sea, if you pay your money to a people smuggler, you end up at the back of the queue in Malaysia.' The message that the opposition wants to send is, 'If you risk your life at sea, if you pay a people smuggler, you will go to Nauru for a period of time and then end up in Australia.' That is why it is a weaker message. So we will pursue the stronger approach to border protection. We will leave the member who asked the question and the Leader of the Opposition with the much weaker approach.

Education

Mr CHAMPION (Wakefield) (15:10): My question is to the Minister for School Education, Early Childhood and Youth. How is the Gillard government delivering to ensure every child has access to a great education?

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (15:10): I thank the member for Wakefield for his question. The fact is that this government has already delivered more education reform than the Howard government managed in over a decade and since coming into office it has proceeded to rebuild, from the Commonwealth, school education after a decade of ignorance and neglect from those opposite. We have almost doubled the investment in education to some $64.9 billion. Australian students are now studying in new libraries and classrooms as a consequence of a $16 billion investment in school infrastructure—24,000 projects at 9,500 schools across Australia. We have introduced Australia's first national curriculum: English, maths, science and history from kindergarten to year 12, with geography, languages and arts to follow. We have introduced Australia's first national teacher standards. For the first time teachers will be identified on the basis of quality in a national system. We are introducing Australia's first national bonus pay system for the best and brightest of those teachers with $425 million to make sure that teachers are recognised and rewarded. And we are investing some $480 million to empower local schools. We know that local communities and school principals have an idea about what will work best and we trust them to make those decisions.

We are rewarding schools that make the most difference to our students through the $165 million Reward for School Improvement program. Of course, there is $2.5 billion available in the Smarter Schools National Partnerships, identifying our most disadvantaged students, including our Indigenous students, so that they can improve in key areas of literacy and numeracy. This is investment by this
government that is transforming schools and changing lives. If you add the 430,000 computers and the $2.5 billion in the Trade Training Centres in Schools Program, you will get a strong and clear idea of the level of investment and commitment to education that this government has.

I happened to notice a quote from somebody who probably has a bit of a feel for education, who said—

Mr Pyne interjecting—

The SPEAKER: Order! The minister will resume his place. The member for Sturt, having persistently interjected and persisted with other disorderly behaviour, was warned. I then was forced to remind him that I warned him. I ask him to leave the chamber for one hour under standing order 94(a).

The member for Sturt then left the chamber.

Mr GARRETT: The fact that the member for Sturt has responsibility for education in this House on behalf of the opposition and has now been ejected from the parliament tells us everything we need to know about the opposition's commitment to education. As I was saying before I was so rudely interrupted, this is a quote from someone who knows: 'We have the My School website, which certainly has its advantages. We have national curriculum coming on. We have national partnerships in literacy. We have national partnerships in teacher performance. We have national teacher registration coming. We have the national BER program.' The author of that quote was the Minister for Education in the Victorian coalition government, Martin Dixon. Need I say any more? Well, I will.

The fact is they on that side of the House do not like hearing about these achievements. They want to cut $2.8 billion out of the education budget. The fact is that for over a decade they managed 3,000 flagpoles; we are supporting some 3,000 libraries. Our commitment to education recognises that it is the great enabler. This government will continue to produce the commitment, the policies and the support to make sure that every school is a great school. That is right at the heart of this government's agenda.

Border Protection

Mr KEENAN (Stirling) (15:15): My question is to the Prime Minister. I refer the Prime Minister to the member for Griffith's promise in 2009 to provide $2.8 million to 'establish a dedicated border protection committee of cabinet. This would drive the government's response to the people-smuggling threat.' Can the Prime Minister explain to the House why one of her first acts as Prime Minister was to eliminate the border protection committee of cabinet?

Opposition members interjecting—

The SPEAKER: Order! The Prime Minister has been asked a question. The Prime Minister will now be heard in silence in response.

Ms GILLARD (Lalor—Prime Minister) (15:16): I thank the shadow minister for his question. I determined that it would be best that these matters were dealt with directly by the National Security Committee of Cabinet and cabinet itself.

Australia New Zealand Closer Economic Relations Trade Agreement

Mr LYONS (Bass) (15:16): My question is to the Minister for Trade. Will the minister advise the House of the benefits of and future prospects for the closer economic relations agreement with New Zealand? What is the potential for a carbon market with New Zealand and are there any risks to the stability of any such market?

Dr EMERSON (Rankin—Minister for Trade) (15:17): Are there any risks! I thank
the member for Bass for his question. I can advise the House that the Australia New Zealand Closer Economic Relations Trade Agreement was negotiated almost 30 years ago by the Fraser and Muldoon governments. Subsequent additions to the CER agreement have more fully integrated our two economies, moving us towards a single regional market. The fact is that the CER agreement is a gold-standard agreement. An investment agreement that was reached just earlier this year between the Prime Minister of Australia and the Prime Minister of New Zealand will further deepen our economic integration.

I was asked about putting a price on carbon and a carbon market. We do know that the government of New Zealand has put a price on carbon and is establishing a domestic carbon market. In Australia, the government is determined to put a price on carbon and establish a domestic carbon market. In the spirit of the CER agreement there is in fact great potential to establish an Australia-New Zealand carbon market, and what a good thing that would be.

To do its work in reducing carbon emissions at the least cost, any such market would need to be stable. I am asked about the risks to such a market. The truth is that the opposition leader would destroy that stability by abandoning an emissions trading scheme. He says: 'Yes, that is right. Believe me, I would abandon an emissions trading scheme.' Well, let us turn to his statements. In the middle of July 2009 the now opposition leader was urging the then opposition leader, the member for Wentworth—wait for it—to support the Labor government's emissions trading scheme. He wrote in an opinion piece:

Opposition tends to be a permanent debating society because even the most final decisions can sometimes be revisited in office.

So what he is saying is, 'Even though I write it down—it is the gospel truth and it is carefully scripted—don't believe what I say and don't believe what I write down in opposition, because anything can be changed in government.' He is not a Leader of the Opposition, he is a captain of a permanent debating society, and the case he always prosecutes is, 'No, no, no, no and no.'

When the opposition leader says that what he says in opposition will not necessarily carry over into government, we have had evidence of that. Remember the Medicare safety net? He would not change that; it was an iron-clad, rolled-gold, rock-solid promise. Well, he changed it all right. Now he is saying that he will not touch the mining tax. He will get rid of the mining tax. But the truth is that if he were to win government I would not be too happy if I were Andrew Forrest or the others because the mining tax will stay. And what has he really been saying about Work Choices? 'It is dead, buried and cremated.' We know that the opposition leader, even if it is written down gospel truth, would bring back Work Choices and create a new threat to the living standards of every working man and woman in this country.

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

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Occupational Health and Safety

Ms GILLARD (Lalor—Prime Minister) (15:21): I seek leave to add to an answer.
Leave granted.

Ms GILLARD: At the commencement of question time today the Leader of the Opposition asked me about occupational health and safety laws. For the further information of the House, the agreement that I struck required states and territories to have
their new model laws in place by 1 January 2012. I can advise the House that New South Wales has passed its laws, Queensland has passed its laws, South Australia introduced its laws for passage on 19 May, the ACT will be introducing its laws for passage tomorrow, Western Australia will harmonise—they have said they will do that and they have the balance of the year to do it and be on time—and Victoria has the balance of the year to do it and be on time. As for the Commonwealth government, we released an exposure draft for consultation on 26 May and the bill will be legislated in the Spring sittings this year. That means this is exactly on time, exactly as promised and occupational health and safety reform being delivered by this government. That eluded the Howard government for 11 long years. If you want success on streamlining our economy, look to a Labor government, not to the conservatives.

PERSONAL EXPLANATIONS

Mr KELVIN THOMSON (Wills) (15:23): I seek leave to make a personal explanation.

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

Mr KELVIN THOMSON: Yes, Mr Speaker.

The SPEAKER: The member for Wills may proceed.

Mr KELVIN THOMSON: In the Age today the member for Dawson is reported to have criticised me for blaming Australian farmers but not saying anything on the question of religion. This is incorrect on both counts. I have spoken in parliament on the live cattle exports issue on three occasions over the past three weeks. A reading of my speeches will reveal that I have made no criticisms of Australian farmers whatsoever. On the other hand, I have expressly raised the issue of religion, stating religious convictions do not give anyone a licence to depart from basic standards of decency and humanity.

Mr FRYDENBERG (Kooyong) (15:23): I seek leave to make a personal explanation.

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

Mr FRYDENBERG: Outrageously, Mr Speaker.

The SPEAKER: The member for Kooyong may proceed.

Mr FRYDENBERG: In question time today the Minister for Regional Australia, Regional Development and Local Government spread a litany of falsehoods.

The SPEAKER: The member will not debate.

Mr FRYDENBERG: But I was most offended by the claim that I had briefed Michelle Grattan. He should know better. A speech in the parliament is available to the whole press gallery. It just happens that Michelle Grattan is among the most forensic and attentive.

The SPEAKER: Order! It is days like today when I regret that I cannot see the reaction of the gallery behind and above me.

MOTIONS

National Rugby League

Mr KATTER (Kennedy) (15:24): I move:

That so much of standing and sessional orders be suspended as would prevent the member for Kennedy from moving the following motion:

That this House:

(1) notes that the Cowboys Queensland and Australian halfback Jonathan Thurston will face the NRL Tribunal tonight to face a contrary conduct charge following contact with a referee in a match with the Warriors on Saturday night;

CHAMBER
(2) notes that, if found guilty, Jonathon Thurston will miss two NRL games and also be ineligible for selection for the decider State of Origin match on 6 July;

(3) notes that the citing by the Match Review Committee stemmed from an incident in which both the halfback and referee were looking in a different direction from that in which they were moving. Neither party could be regarded as culpable, responsible or even as initiating the incident;

(4) notes that the Courier Mail has labelled this citing by the Match Review Committee as arrogant and hypocritical, and as a 'pathetic act of desperation'.

(5) notes that, in light of the facts of this case, this citing by the Sydney based Match Review Committee could be regarded as irresponsible or, even possibly, mischievous.

(6) notes that this most trivial of citing, if endorsed, will deprive tens of millions of Australians of the great excitement enjoyed by a State of the Origin decider and NSW of their right to winning fairly.

The SPEAKER: Order! The member for Kennedy will resume his place.

Mrs BRONWYN BISHOP: Mr Speaker, on a point of order: this is highly disorderly in that it is highly insulting of the Blues.

The SPEAKER: Order! There is no point of order.

Mr KATTER: That is the conclusion of my motion.

The SPEAKER: Is the motion seconded?

Mr KATTER: I am having difficulty getting a seconder because they all come from New South Wales or do not understand real football. That is my situation.

The SPEAKER: Order! The member for Kennedy acknowledges that he could not get a seconder. The motion lapses.
The Committee determined that statements on the report may be made—all statements to conclude by 10.20 am.

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

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

2 Joint Committee of Public Accounts and Audit

Report 424: Eighth biannual hearing with the Commissioner of Taxation.

The Committee determined that statements on the report may be made—all statements to conclude by 10.30 am.

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

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

3 Standing Committee on Social Policy and Legal Affairs

Inquiry into the regulation of billboard and outdoor advertising.

The Committee determined that statements may be made—all statements to conclude by 10.40 am.

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

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

4 Standing Committee on Health and Ageing

Before it's too late: inquiry into early intervention programs aimed at preventing youth suicide.

The Committee determined that statements on the report may be made—all statements to conclude by 10.50 am.

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

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

PRIVATE MEMBERS’ BUSINESS

Notices

1 MR BANDT: To present a Bill for an Act to amend provisions in the Safety, Rehabilitation and Compensation Act 1998 relating to injuries sustained by firefighters, and for related purposes (Safety, Rehabilitation and Compensation Amendment (Fair Protection for Firefighters) Bill 2011). (Notice given 20 June 2011.)

Presenter may speak for a period not exceeding 10 minutes—pursuant to standing order 41.

2 MR ABBOTT: To present a Bill for an Act to require a plebiscite before Australia introduces a carbon tax, and for related purposes (Carbon Tax Plebiscite Bill 2011). (Notice given 20 June 2011.)

Presenter may speak for a period not exceeding 10 minutes—pursuant to standing order 41.

3 MRS MOYLAN: To present a Bill for an Act to amend the Air Services Act 1995, and for related purposes (Air Services (Aircraft Noise) Amendment Bill 2011)

Presenter may speak for a period not exceeding 10 minutes—pursuant to standing order 41.

4 MR PYNE: To move:

That this House:

(1) acknowledges the importance of the role that non-government schools play in reflecting the diversity of Australian society and serving a broad range of students, including those from a variety of religions, social backgrounds, regions, and socio-economic circumstances;

(2) supports the continuation of a funding model into the future that distributes funds according to socio economic need and which recognises that every non-government school student is entitled to a basic level of government funding;

(3) calls on the Government to continue to support parents in their right to chose a school which they believe best reflects their values and beliefs, by not penalising parents who wish to make private contributions towards their child's education, nor discouraging schools in their
efforts to fundraise or encourage private investment;

(4) notes the many submissions made to the Review of Funding for Schooling by non-government sector authorities requesting that changes to school funding arrangements not leave schools or students worse off in real terms;

(5) acknowledges that any reduction in government funding for non-government schools would need to be addressed by increasing the level of private income required to be raised by the school community (such as school fees), or through a reduction in the quality of the educational provision in affected schools; and

(6) calls on the Government to make a clear commitment to the continuation of current funding levels to all non-government schools, plus indexation, and for this to be the basic starting point of any new funding model resulting from the Review of Funding for Schooling process. (Notice given 14 June 2011.)

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

Speech time limits—
Mr Pyne—10 minutes.
Next Member—10 minutes.
Other Member—5 minutes each.

[Minimum number of proposed Members speaking = 2 x 10 mins + 4 x 5 mins]
The Committee determined that consideration of this should continue on a future day.

2 LIVE ANIMAL EXPORT (SLAUGHTER) PROHIBITION BILL 2011 (Mr Bandt): Second reading (from 20 June 2011)
Time allotted—20 minutes.
Speech time limits—
Mr Bandt—5 minutes.
Other Member—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.

3 AUDITOR-GENERAL AMENDMENT BILL 2011 (Mr Oakeshott): Second reading—Resumption of debate (from 21 March 2011)
Time allotted—40 minutes.
Speech time limits—
Two Members—10 minutes each.
Other Member—5 minutes each.

[Minimum number of proposed Members speaking = 2 x 10 mins + 4 x 5 mins]
The Committee determined that consideration of this should continue on a future day.

Items for Main Committee (approx 11 am to approx 1.30 pm)
PRIVATE MEMBERS’ BUSINESS Notices

1 MR ADAMS: To move:

That this House notes that 2011 is the International Year of the Forests (Year) and therefore asks Members to:

(1) recognize that forest and sustainable forest management can contribute significantly to sustainable development, poverty eradication and the achievement of internationally agreed development goals, including the Millennium Development Goals;

(2) support concerted efforts to focus on raising awareness at all levels to strengthen the sustainable management, conservation and
sustainable development of all types of forests for the benefit of current and future generations;
(3) call upon State Governments, relevant regional and international organisations, and major groups to support activities related to the Year, inter alia, through voluntary contributions, and to link their relevant activities to the Year. (Notice given 20 June 2011.)

Time allotted—40 minutes.

Speech time limits—
Mr Adams—10 minutes.
Next Member—10 minutes.
Other Member—5 minutes each.

[Minimum number of proposed Members speaking = 2 x 10 mins + 4 x 5 mins]
The Committee determined that consideration of this should continue on a future day.

2 MR RAMSEY: To move:
That this House:
(1) expresses:
(a) its greatest concern at the SA Government's decision to slash support for its Remote Areas Energy Scheme which subsidises off-grid generation for isolated communities; and
(b) great concern that the reduction in subsidy will lead to escalating power prices for businesses of up to 100 per cent, recognising users will pay as much as $0.60 per kilowatt hour; and
(2) names the affected communities as Coober Pedy, Andamooka, Yunta, Nundroo, Maria, Oodnadatta, Marree, Kingoonya, Glendambo, Parachilna, Blinman, Manna Hill and Cockburn;
(3) recognises that as Coober Pedy relies on a desalinated water supply and that the reduction in subsidy will lead to the price of water rising to $5.70 a kilolitre;
(4) brings to the SA Government's notice that every other State and Territory in Australia which has off grid generation systems for isolated communities supports a state-wide pricing policy;
(5) expresses support for the affected communities and recognises the public outrage expressed at a public meeting in Coober Pedy on Sunday 15 May 2011 attended by Senator Nick Xenophon, SA Legislative Council Member the Hon. John Darley and Rowan Ramsey MP; and
(6) condemns the SA Government for its actions and calls on it to immediately re-instate the subsidies and consider bringing SA into line with the rest of Australia in supporting state-wide pricing. (Notice given 14 June 2011.)

Time allotted—30 minutes.

Speech time limits—
Mr Ramsey—10 minutes.
Next Member—10 minutes.
Other Member—5 minutes each.

[Minimum number of proposed Members speaking = 2 x 10 mins + 2 x 5 mins]
The Committee determined that consideration of this should continue on a future day.

3 MS RISHWORTH: To move:
That this House:
(1) notes the devastating impact of tobacco products on the lives of Australians, with smoking causing numerous life-threatening diseases including cardiovascular disease, lung cancer, stomach cancer, pancreatic cancer, liver cancer, cervical cancer, leukaemia and oral cancers, and that the majority of smokers regret the decision to ever start;
(2) acknowledges that there is significant evidence to suggest that creative design, branding and promotion of tobacco through its packaging:
(a) reduces the impact of graphic health warnings;
(b) increases the attractiveness and appeal of tobacco products for adolescents; and
(c) misleads consumers to believe that some tobacco products are less harmful than others;
(3) recognises that this Government is already implementing a suite of reforms aimed at reducing smoking and its harmful effects; and
(4) supports the significant measures proposed by this Government including the measure to mandate plain packaging of tobacco products from 1 July 2012. (Notice given 30 May 2011.)

**Time allotted—40 minutes.**

**Speech time limits—**
- Ms Rishworth—5 minutes.
- **Other Member**—5 minutes each.

[Minimum number of proposed Members speaking = 8 x 5 mins]

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

**4 MR FLETCHER:** To move:

That this House:

(1) notes that:
   (a) many home owners have reported incidents of suspected fraudulent insulation claims under the Government's Home Insulation Program to the Department of Climate Change and Energy Efficiency;
   (b) the Department has indicated to complainants that they may never be provided with advice about the outcome of investigations in each case; and
   (c) the Minister for Climate Change and Energy Efficiency and his Department, have failed to provide information concerning the number of claims of fraud that have been made or of instances of fraud which have been detected;

(2) condemns the Government for failing to:
   (a) provide specific information to home owners about the outcome of investigations into alleged fraud at their homes; and
   (b) report to Parliament, and to Australian taxpayers who have funded the Home Insulation Program, the details on the number of claims of fraud that have been made or of instances of fraud which have been detected; and

(3) calls on the Minister to:
   (a) direct his Department to provide information to home owners on an ongoing basis concerning the progress of investigations into incidents of suspected fraud reported by those home owners;
   (b) immediately authorise an additional 50 000 random home inspections from within allocated funds; and
   (c) provide regular reports to the Australian public concerning investigations into fraud under the Home Insulation Program, that include the number of:
      (i) claims of alleged fraud that have been received, identified in the Government commissioned forensic audit, and investigated;
      (ii) cases investigated that have been completed, and those that resulted in prosecutions, along with the outcomes of each;
      (iii) prosecutions that are in train; and
      (iv) cases where steps have been taken to seek restitution from fraudulent claimants, and the outcomes of such cases. (Notice given 14 June 2011.)

*Time allotted—remaining private Members' business time prior to 1.30 pm (approximately).*

**Speech time limits—**
- **Mr Fletcher**—10 minutes.
- **Next Member**—10 minutes.
- **Other Member**—5 minutes each.

[Minimum number of proposed Members speaking = 2 x 10 mins + 4 x 5 mins]

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

**Items for Main Committee (approx 6.30 to 9 pm)**

**PRIVATE MEMBERS' BUSINESS**

**Notices**

**5 MR HAYES:** To move:

That this House:

(1) notes with concern that on 30 May 2011 in the People's Court of Ben Tre, Vietnam, the following seven people were tried and convicted under Section 2 of Article 79 of the penal code, 'Attempting to overthrow the people's administration':
   (a) Ms Tran Thi Thuy (8 years imprisonment and 5 years probation);
(b) Mr Pham Van Thong (7 years and 5 years probation);
(c) Pastor Duong Kim Khai (6 years and 5 years probation);
(d) Mr Cao Van Tinh (5 years and 4 years probation);
(e) Mr Nguyen Thanh Tam (2 years and 3 years probation);
(f) Mr Nguyen Chi Thanh (2 years and 3 years probation);
(g) Ms Pham Ngoc Hoa (2 years and 3 years probation);
(2) further notes all seven were advocates for democratic reform, and had:
(a) participated in non violent protest;
(b) prepared and distributed material affirming Vietnamese sovereignty over the Paracel and Spratly Islands;
(c) petitioned the State for redress on behalf of local landholders; and
(d) as members of the 'Cattle Shed Congregation' of the Mennonite Church, engaged in peaceful advocacy for social justice; and
(3) expresses its concern that the authorities of Vietnam appear to be using legal processes to rationalise human rights abuse and to silence peaceful opposition; and
(4) calls on the Government to use the full weight of its diplomatic relations with Vietnam to lobby for substantial reform in human rights and basic freedoms in accordance with the provisions of the International Covenant on Civil and Political Rights to which both Australia and Vietnam are parties. (Notice given 2 June 2011.)

Time allotted—30 minutes.
Speech time limits—
Mr Hayes—10 minutes.
Next Member—10 minutes.
Other Member—5 minutes each.
[Minimum number of proposed Members speaking = 2 x 10 mins + 2 x 5 mins]
The Committee determined that consideration of this should continue on a future day.

6 MR ALEXANDER: To move:
That this House:
(1) recognises the:
(a) unique contribution made by the Royal Australian Navy (RAN) to national defence since its inception 100 years ago; and
(b) naming of the Royal Australian Navy by King George V on 10 July 1911 as a significant step towards Australia's post Federation independence from colonial rule; and
(2) notes the significant role played by the electorate of Bennelong in the development of the RAN, particularly the construction of Halverson's ships in Ryde.

Time allotted—40 minutes.
Speech time limits—
Mr Alexander—10 minutes.
Next Member—10 minutes.
Other Member—5 minutes each.
[Minimum number of proposed Members speaking = 2 x 10 mins + 4 x 5 mins]
The Committee determined that consideration of this should continue on a future day.

7 MS O'NEILL: To move:
That this House notes:
(1) the release by the World Health Organisation's cancer research report by the International Agency for Research on Cancer (IARC) which says that radio frequency electromagnetic fields generated by mobile phones are 'possibly carcinogenic to humans' and asserts that heavy usage could lead to a possible increased risk of glioma, a malignant type of brain cancer;
(2) the warnings of Dr Charlie Teo, one of Australia's leading brain surgeons and former Australian of the Year finalist, that 'there is an increasing body of evidence that there is an association between brain tumours and mobile phones';
(3) that the Australian Government, through the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA), welcomes the report and considers that the classification by IARC corresponds to the current ARPANSA
advice, including its advice on practical ways in which people can reduce their exposure to the electromagnetic fields produced by wireless telephones;

(4) that the methods to reduce exposure include:
   (a) limiting call time;
   (b) preferring the use of land line phones;
   (c) using hands free or speaker options;
   (d) texting instead of making voice calls; and
   (e) using phones in good signal areas which reduce power levels for communication; and

(5) that ARPANSA has also recommended parents encourage their children to use these methods of reducing exposure.

**Time allotted—30 minutes.**

**Speech time limits—**
- Ms O'Neill—10 minutes.
- Next Member—10 minutes.
- Other Member—5 minutes each.

[Minimum number of proposed Members speaking = 2 x 10 mins + 2 x 5 mins]

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

**8 MR CHESTER:** To move:

That this House:

(1) notes:
   (a) the social and economic impact of wild dogs on the sheep, cattle and goat industry across Australia;
   (b) the environmental impact of wild dogs preying on Australia native wildlife; and
   (c) that according to the Australian Pest Animals Strategy, pest animal management requires coordination among all levels of government in partnership with industry, land and water managers and the community; and

(2) highlights the need for a nationally consistent approach to effective wild dog control and ongoing Commonwealth funding to support research and on the ground work to reduce the impact of wild dogs on regional Australians.

(Notice given 2 June 2011.)

**Time allotted—30 minutes.**

**Speech time limits—**

Mr Chester—10 minutes.

Next Member—10 minutes.

Other Member—5 minutes each.

[Minimum number of proposed Members speaking = 2 x 10 mins + 2 x 5 mins]

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

**9 MS BRODTMANN:** To move:

That this House:

(1) notes that:
   (a) Australia had a record year in 2010 with 309 multiple organ donors;
   (b) activity in 2011 shows that Australia is on track to steadily sustain this improvement with 112 donors already this year;
   (c) following the injection of $151 million by the Government to establish a coordinated approach to organ donation, 242 staff have now been appointed in 77 hospitals and DonateLife agencies across Australia, thus enabling all jurisdictions to work cooperatively to support sustained improvements in organ donation;
   (d) there were 931 transplants in 2010 and already there have been 327 transplants in 2011; and
   (e) States and Territories are committed to supporting this reform agenda; and

(2) acknowledges:
   (a) the selfless act of all donor families who have supported new life for transplant recipients;
   (b) the introduction of a national protocol for donation after cardiac death that will ensure Australia maximises the number of organ donors;
   (c) that many hospitals that have not previously donated organs and tissue are now undertaking this important role as a result of the extra funding and staffing that are available;
   (d) that the States and Territories reaffirmed their commitment to the reform agenda in February 2011, in particular the financing of
increases in tissue typing, retrieval of organs and transplant surgery;
(e) the success of the two advertising campaigns launched in May 2010 and February 2011; and
(f) the importance of continued input of community groups and non government organisations in raising awareness among the Australian community. (Notice given 30 May 2011.)

Time allotted—remaining private Members’ business time prior to 9 pm.

Speech time limits—
Ms Brodtmann—5 minutes.
Other Member—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.

3. The committee recommends that the following items of private Members’ business listed on the notice paper be voted on:

Orders of the Day—
Live cattle exports (Mr Cobb)
Computers in schools (Mr Pyne)

DOCUMENTS

Presentation

Mr ALBANESE: A document is tabled in accordance with the list circulated to honourable members earlier today from the Department of Health and Ageing. I move:

That the House take note of the following document:
Research Involving Human Embryos Act 2002—Report on the operation of the Act for the period 1 September 2010 to 28 February 2011
Full details of the document will be recorded in the Votes and Proceedings.

Debate adjourned.

MATTERS OF PUBLIC IMPORTANCE

Asylum Seekers

The SPEAKER (15:29): I have received a letter from the honourable member for Cook proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The unfolding failure of the Government’s border protection policy and the urgent need for it to be transparent with the Australian people on how they are dealing with this matter.

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

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

Mr MORRISON (Cook) (15:29): It is almost eight weeks since 7 May, when the Prime Minister made the announcement of her proposed people swap deal with Malaysia. In fact it will be eight weeks this Saturday. Late on a Saturday afternoon, just after 2:30—the usual time for ministers to make very important announcements of government policy—she gathered the media together to announce this proposed agreement. She was so excited about this agreement that on 7 May she twittered: 'Have reached agreement with the Prime Minister of Malaysia to tackle people smuggling in the region.' She was so excited about it, on 8 May, she twittered again: 'We're a generous country. We'll do what we can to stop the evil of people smuggling.' And then again on 8 May—she was not finished—she twittered again and sent a message for people smugglers.

Every since then there has been absolute and complete twitter silence from the Prime Minister when it comes to updating the Australian people on where the government
is up to with this agreement. I did go and check the other tweets as to what she might have been talking about since then, and she was happy to talk about a whole range of matters. I noticed in particular that the Prime Minister retweeted the Treasurer, 'Swanny DPM'. She was happy to retweet the Deputy Prime Minister, but when I went through all of those 30-odd tweets since her first one, there was one member of the government that she had not retweeted. I wonder who that was. I wonder who it was that the Prime Minister did not want to retweet. There is one minister in the government that the Prime Minister did not want to retweet, and that was the Minister for Foreign Affairs. There was no retweet for the Minister for Foreign Affairs that talked about the progress that they were making and the efforts that the Minister for Foreign Affairs had been making to get this historic agreement with Malaysia over the line. We could not find it because the foreign minister had not been doing it and, even if he had, the last person on earth that this Prime Minister would retweet would be the Minister for Foreign Affairs.

So, after the celebrated announcement on that day, the Prime Minister said: 'We will be working to finalise the agreement over the coming weeks.' That is almost eight weeks ago. And then on 2 June the minister at the table, the Minister for Immigration and Citizenship, in response to this question from Tony Jones, 'Are we talking weeks or months?' said, 'We're not talking months, Tony.' Jones: 'Weeks?' The minister: 'Yes, we're talking weeks.' That was about 20 days ago. So we will see whether it is weeks or months, but we will see. At least the minister at the table—and here I give him credit—was prepared to talk about time frames for the completion of this significant agreement.

On 9 June, just a few days after this, Fran Kelly was interviewing the Prime Minister. She asked the Prime Minister: 'Prime Minister, when will Australians see this deal? Has the UNHCR signed off on the Malaysia deal and when will it be finalised?' Prime Minister: 'Well, we're working with Malaysia to get all the details of the agreement right, the discussion et cetera, et cetera.' Fran Kelly: 'Days, the weekend?' Prime Minister: 'Fran, I'm not here to announce time frames. We are working very well with our Malaysian counterparts.' Some weeks before she was very happy to talk about imminent announcements, but some eight weeks later this deal has still not been done and this government is not being upfront or transparent with the Australian people about what is involved in this agreement.

This is a significant agreement because it will have real implications for people's lives, as I know the minister across the table understands. This is a difficult area of policy and the decisions you make in this area of policy have significant implications for individual human beings. All of us, I expect, understand this and understand it only too well. But what is a problem here and what concerns me is that when this agreement was entered into and rushed out the door late on a Saturday afternoon before the budget, critical issues had not been addressed, and critical issues had not been resolved. These fundamental issues included the question: 'Will people be caned?' The minister made all sorts of comments about what he may have said—weeks and weeks and weeks after the event. But, at that time, there was no indication at all that the issue of caning had been resolved.

There are still a multitude of questions to be answered. Those questions have been put in this parliament, as they should be—they have been put in the Main Committee and in here, the main chamber. The Australian
people want answers about this arrangement. Among those questions are the following: would children who were sent by this minister to Malaysia under this agreement go to public schools in Malaysia? It is a pretty basic question. I put that question to him only last week and there was no response. With the 800 who are sent to Malaysia, where will they receive their hospital treatment? Where will they go to hospital? How long will they stay in Malaysia? The minister at the table is all too quick to talk about how long people spend in detention, even though under this government's administration the average time spent in detention has increased threefold. No wonder we average three critical incidents every single day in our detention network. The time in detention has tripled. This minister is all too happy to talk about time spent in detention, but I have a simple question for the minister: how long will people stay in Malaysia under this agreement? Also, how long will the funds provided for under this agreement last to support those people while they are in Malaysia? Is the answer six weeks? Is it six months? Is it six years? Is it 20 years? The minister well knows that it is an actual consequence that could take place as a result of the agreement that he has brought into this place, and that is something which the minister needs to be upfront with the Australian people about. He needs to be transparent with the Australian people about the real implications for individual human beings from his decision to enter into this agreement.

There is another area he needs to answer questions on, and the member for Macquarie raised this in question time today. The member for Macquarie asked the Prime Minister about the activities of what is known as the RELA Corps. According to research undertaken by the Refugee Review Tribunal, the RELA Corps is a volunteer paramilitary force whose members now number in excess of half a million. RELA members have the right to carry arms and arrest anyone reasonably believed to be an undesirable person, an illegal immigrant or an occupier. The regulations authorise RELA members to question suspects and enter premises, either public or private, without obtaining a search warrant, where there is reason to believe suspects are housed. Should a suspect refuse to answer questions, produce requested identification or comply with reasonable requests or should they make a statement or produce a document that the RELA member believes may be false—so it is up to the RELA member to determine whether documentation or tags are true—then RELA personnel may arrest them. No warrant is necessary. The same amendment referred to here in this document gives effective legal immunity to RELA members so that they cannot be prosecuted for any act or omission done in good faith in their capacity as RELA officials.

They are very significant powers. It is half a million of these volunteer officers that the minister at the table—the Minister for Immigration and Citizenship—is relying on to ensure that, in any arrangement he puts in place, people who are sent to Malaysia will not be subject to any human rights abuses. He is relying on 500,000 people. I refer the minister at the table to a report by the United Nations Human Rights Council, in which it was found that most RELA personnel had not been trained and that those trained had followed only a one-day orientation course. I asked the minister in the Main Committee just the other day how much of the funds that he is putting into this agreement are actually going to go to support the training of these people to ensure that any procedures he puts in place will be carried through and that he can have confidence about those arrangements.
I also draw the attention of the minister at the table to comments by Amnesty International’s refugee spokesman, Mr Graham Thom. He is well known to both of us, and he is a very good man. He says this about the situation in Malaysia:
Refugees are coping it every day. Once they are arrested, their documents are often disregarded or destroyed, and they are charged with being illegal and are caned …
This is the report from Amnesty International. This is the desk evidence that is there and available to us, and these are the questions that I still cannot get an answer to from this minister. Frankly, if the minister is not prepared to answer these questions in this place for the Australian people, then I am prepared to try to go and get those answers for myself. I am prepared to go to Malaysia and find out from my own on-the-ground research and to see the circumstances into which people will be sent under this government.

The response of the minister at the table and the government's response to my intention to visit Malaysia has been nothing less than hysterical. Never has a government been so obsessed with an opposition as this government has. We have a Prime Minister obsessed with the Leader of the Opposition. We have a minister for immigration obsessed with the shadow minister for immigration, constantly craving my praise for his initiatives as he walks in here saying, 'Why won't he praise me?' I will tell you why I will not praise him. I will tell you why this opposition will not praise this minister. It is because he is overseeing an absolute farce. In his rush to this deal, in his anything-but-Nauru strategy, the minister at the table knows that he is embracing the unthinkable in Malaysia. So we will go to Malaysia and we will seek to understand the circumstances for those who will be sent there and those who will live there.

This is a government that is so obsessed with the opposition, that is so keen on telling the opposition how to do its job. The Australian people would love to give this government a chance to see if it can do opposition better than this opposition can, to see if this government can do in opposition what it thinks it can do in government, because this government is obsessed with the opposition. I am quite happy for this side of the chamber to give the government a chance to be the opposition it truly wants to be. That is what the Australian people want, and if the minister wants to have a chat with the Prime Minister then I am sure that can be arranged at an election at some time soon.

So I will go there, but it is not just me who has these questions. Here is Lawyers for Liberty adviser Eric Paulsen talking about this deal in the Malaysian press:
"We don't know much about it," he said. "Will asylum seekers be allowed employment? Can their children attend public schools? Will this information trickle down to law enforcement officers on the ground? Will a future group also receive the same exemption?"

Then we have the refugee advocate Irene Fernandez, the executive director of the local human rights group in Malaysia:
Diplomatic assurances from Australia would not protect them, she said. And no one could find out anything about the swap deal because all such matters come under the Official Secrets Act, "sparking a lot of rumours". Her organisation had obtained a meeting on the issue with the Australian High Commission a week ago, she said. "But they were unable to tell us anything."
The Australian people are in the same shape. They do not know what is in this deal, but the more they know about this deal, the more they do not like it. The more they see about this deal, the more they see how desperate this government is. They understand that there is better alternative than what this government has put forward.
When I go to Malaysia, my argument will not be with the Malaysian government. The Malaysian government have a right to act within their borders to address the challenges that they have, according to their laws and according to the international obligations that they have signed up to. That is for the Malaysian government. My problem is with this government. My problem is with a government that has decided to send 800 people into that situation. In that situation we need to understand what it will mean if we are going to take that decision. I encourage the minister to undertake exactly the same visit I will undertake this weekend. I will go there to understand, and I will take the advice that Mr Thom gave to the Prime Minister when he said:

Prime Minister Julia Gillard should educate herself on the type of harassment faced by refugee women in Malaysia.

The minister might think it is a stunt to go and understand the situation faced by refugee women in Malaysia. Graham Thom, the head of Amnesty International on these issues, does not think it is a stunt when it comes to understanding the conditions faced by women in Malaysia, and neither do I. This government has a better alternative available to it, but it simply refuses to take it up, for no other reason than political pride. Nauru and temporary protection visas are more cost effective and more humane and, as the government and the Australian people all know, it is the proven alternative. Pick up the phone. (Time expired)

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (15:45): I have to break a few things to the shadow minister. Firstly, I break it to him that I am not obsessed with him. I know he might be disappointed about that. I have many interests and I do not think the honourable member for Cook is a bad man, but I am not obsessed with him. He might be disappointed to hear it. But we do know, with all due respect, that he has some obsessions. I think what we are seeing here is that he is concerned that some of those obsessions might be adversely affected by this government's progress in developing a regional framework, reaching bilateral agreements under that regional framework—

The DEPUTY SPEAKER (Hon. Peter Slipper): The honourable member for Wannon does not appear to be in his seat.

Mr BOWEN: and breaking the people smugglers' business model while improving protection outcomes across our region. What the opposition is really concerned about is that when you pull the rug out from under the people smugglers' business model you pull the rug out from under the business model of cheap slogans. You pull the rug out from under the business model of one-liners. You pull the rug out from under the business model of no substance and all slogan. That is what this shadow minister is really concerned about.

The SPEAKER: The honourable member for Wannon is warned.

Mr BOWEN: He knows that this policy could break the people smugglers' business model. He knows that this policy says, 'If you get on a boat in Malaysia, take a boat to Indonesia, get another boat to Australia'—as the majority of asylum seekers who arrive by boat do on that journey from the Middle East—'then you will be taken back to Malaysia where you started the boat journey.' The question that asylum seekers and people smugglers would have to ask themselves is, 'Why would I pay the money and risk my life to be returned to where I began that boat journey?' That is why this proposal from the government breaks the people smugglers' business model in a way that no action taken by the Liberal Party ever did when they were in office. Nothing the Liberal Party did when
they were in office could remove the guarantee of being resettled in Australia.

If you ask the Liberal Party about a problem, they will say the answer is Nauru. But the opposition had the chance—again, 15 minutes—to answer some fundamental questions on Nauru. We will come back to that. Again, we saw those questions unanswered. The opposition have said for years that Nauru is the answer, but they have not provided any details or substance to that. What we saw is more hypocrisy from the shadow minister for immigration.

Let us go through the hypocrisy, because there are several elements to it. Firstly, the Leader of the Opposition and the shadow minister say: 'It is outrageous that we would take 4,000 people out of Malaysia. It is unfair. Why would we take so many refugees from Malaysia?' The Leader of the Opposition said in this House at the dispatch box last week:

The problem with the Prime Minister's people swap with Malaysia is that it is unfair to our country. Why should we take five times the number from Malaysia that they are taking from us? It is unfair and it is costly.

That is the view of the opposition—we are taking too many refugees from Malaysia. They think it is bad; they think it is unfair. We would say that it is unfair not to. We are proud of the fact that we are taking 4,000 refugees from Malaysia who have been mandated by the UNHCR and who have been waiting patiently for resettlement, in many cases, over many years. Asylum seekers in Malaysia do face difficult situations. So why are the shadow minister and the Leader of the Opposition so opposed to taking 4,000 genuine refugees from Malaysia?

Let us get to the second element of my honourable friend's hypocrisy. The honourable member for Cook has the policy—I think this is still the policy—that they would turn back the boats.

Mr Perrett: The boat phone!

Mr BOWEN: They would have the boat phone at Kirribilli House. 'Turn back that boat,' Prime Minister Abbott would say. 'Turn it around. Send it back to Indonesia.' Turning back the boats means that they would be sent to Indonesia when Indonesia have said they will not accept them. The Indonesian government said, 'We will not accept boats that are returned from Australia,' when the opposition made that policy. The shadow minister said, 'No, that was in response to your policy announcement.' When the opposition announced in the election campaign that they would turn back the boats, the foreign minister of Indonesia said, 'We won't take them.' That was not in response to anything the government said. It was in response to a policy announcement from the Leader of the Opposition that he would have a phone on which he would take control of the Navy and personally order the return of the boats. That is their policy—turn back the boats to Indonesia.

Here is a question for the shadow minister for immigration. If you are going to turn back the boats to Indonesia, what protections are you going to have in place for the people returned to Indonesia? When you drop them off at the jetty in Indonesia are the kids going to be able to go to school? If they need to go to hospital, where are they going to go? What protections are going to be in place? How long will they be there? All the questions that the shadow minister asked about Malaysia he cannot answer about Indonesia, which is where they would return the boats to—putting aside the fact that Indonesia have said they will not take the boats and that it would risk the lives of asylum seekers and our naval personnel.
The position of the opposition is that it is not okay to take people to Malaysia under an agreement which ensures that their status is protected, which ensures that they can have their claims for protection considered by the UNHCR, which ensures that they will not be returned to a country from which they are fleeing danger, which ensures that they have those protections in place and which also increases our humanitarian intake to its highest level since this side of the parliament was last in office in 1996. That is not okay and it is unfair, according to the opposition, but it is okay on the high seas to turn the boats around, risk the lives of sailors and asylum seekers and drop them off at a jetty in Jakarta and say, 'See you later,' with no protections in place whatsoever. That is the hypocrisy of the opposition.

Then we have what is, I must confess, my personal favourite from the member for Cook—the old Iran solution. We saw the member for Cook last night again on Lateline. He said that Iran are a signatory to the refugee convention. Oh, the government of Iran are a great human rights champion! They are champions of human rights over in Iran! We love them. The member for Cook loves them more. Last night we saw him with his shovel out on Lateline, digging away, digging himself out of the hole. He said:

It wouldn't be a bilateral deal involving Australia or even one that Australia would advance. I thought that was interesting. Then the member for Cook said, 'Read the speech.' I will do better. I will read it to the House. This is what the member for Cook said in November:

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

Sounds like something which involves Australia to me. The member for Cook's solution was proposed last November. He said, 'I've got this great idea: a real international solution that will involve Australia returning people to Iran,' because they are strong on human rights in Iran! Perhaps the member for Cook is about to announce a fact-finding mission to Tehran where he can outline the protections that are in place under his agreement. I would be interested to see it. I am not going to Iran because I have no interest in doing a transfer agreement with Iran. You do, and you can go to Iran.

Then we have the member for Cook saying he is off to Malaysia on the weekend to satisfy himself about the conditions there. He has appointed himself ombudsman for asylum seekers in the region. Our old friend the ombudsman, as the member for Chifley likes to call him, has appointed himself ombudsman to ensure their conditions are protected because he cares so much about asylum seekers. This is a man and a party who would send people to Nauru, a country that would not grant visas to people who wanted to monitor the situation when we had over 1,000 asylum seekers, who were Australia's responsibility, in Nauru. If a journalist wanted a visa—denied. If a lawyer wanted a visa—denied. Nobody else could go to Nauru but, while the member for Cook thinks it is so important that he goes to Malaysia, he was willing to send people to a country which would not issue visas to people interested in pursuing and monitoring the situation in Nauru. That is the hypocrisy of the opposition.

Then we hear them say that it is more humane to send people to Nauru than to Malaysia. That is something which really
takes the cake. The opposition go around taking any opportunity to criticise the support and care that is given to people who are asylum seekers in Australia. They take any opportunity to say they are getting too much—their pillows are too fluffy, they get Foxtel, they get telephones so they can ring their family members. How outrageous that this happens!

Then we see the opposition crying crocodile tears about the human rights of asylum seekers. They say that Nauru would be more humane. The only way the Nauru option provides any disincentives to come to Australia is the fact it left people on Nauru for an inordinately long period of time. We saw the effects of that. People were assessed by psychiatrists appointed by the previous government as suffering great psychological harm.

Mr Morrison interjecting—

The DEPUTY SPEAKER: The honourable member for Cook has had his opportunity to make a contribution.

Mr BOWEN: He gets a bit obsessed, Mr Deputy Speaker, so we give him a bit of leeway. And this is what they said about people who had been left in Nauru:

The nature of symptoms shown maintains their depression will produce an inevitable cycle of further deterioration. The most important symptoms in this regard are hopelessness, worthlessness and self-blame, cognitive impairment, withdrawal and sleep dependence. Instead, frustration and anger have turned inwards against themselves, contributing to the risk of self-harm and suicide. While the group considers the level of risk with regard to mental health, it is clear that the current environment and circumstances are dominant contributors to their condition.

The shadow minister says, 'They will not be in detention; it will be an open centre.' The report states:

The fact that the centre operates as an open centre makes little difference to the mental health of the residents.

It goes on and on. For the opposition to say that Nauru was a humane solution, that Nauru was a solution which was good for asylum seekers, is the height of hypocrisy.

Then they say that it would be a good solution because it would break the people smugglers' business model. I invite the shadow minister to take any opportunity that he chooses to tell the House or the Australian people where people transferred to Nauru under the opposition's proposal who are regarded as genuine refugees will be resettled. Which country? Name the country. Will you go to the UNHCR, which did not cooperate with Nauru last time and which said that it will not cooperate with Nauru this time, despite the claims of the opposition? Where would they be sent? The answer is that they would be sent to Australia—unlike the Malaysian agreement which means that people transferred to Malaysia would not be resettled in Australia in the terms of the agreement. It breaks the people smugglers' business model in a way the previous government could never do.

There are some members opposite who recognise that. We know that the member for Cook moved a motion in parliament last year supporting the so-called Nauru solution. We know that there were two members of the opposition who were paired from that vote, and they still lost that motion. They say that the parliament is sovereign. They still lost the motion on Nauru, but apparently that is a different standard. We saw the members for Pearce and McMillan not vote in that division, and the shadow minister says: 'There is nothing in that. They are okay. It is not because they did not support the Nauru option.' The member for McMillan is a good man and I like the member for McMillan a
Mr Morrison: Be careful.

Mr Bowen: The member for Cook says, 'Be careful.' The member for Cook might disagree with me, but I think he is a good man. He said, 'I don't think the parliament would support the Nauru solution for many reasons.' He also said this: Temporary protection visas didn't work before and I don't believe they'll work again. We will only end up with a whole other people that are held here with no future.

That is what your own backbench things about your policy—the member for McMillan belling the cat and saying what he thinks about your policy.

What we have is a situation where this government has entered into an agreement with Malaysia under our regional framework negotiated in Bali—something the previous government could never have achieved—in consultation with the UNHCR, which ensures that people transferred from Australia to Malaysia will be treated with dignity and respect. I have said this before and let me make it clear again to the House and the member for Cook: people transferred from Australia to Malaysia will not be illegal immigrants. There is a regime in place for Malaysia which deals with illegal immigrants, and it is fair to say it is a hard regime. But people transferred from Australia to Malaysia are not illegal immigrants; they are people transferred with the agreement of the Malaysian government.

The honourable member for Cook can visit detention centres, but these people will not be held in detention centres. He can make all the allegations he likes. They will not be caned. They will be treated with dignity and respect, and they will have protections in place. What we are doing is pulling the rug out from under the people smugglers' business model because—and I agree with the member for Cook and I think he agrees with me—people smugglers should not make the decision about who comes to this country. People who come to this country for resettlement should not have to risk their lives on a dangerous boat journey to come to Australia. If I am obsessed about anything, it is breaking the people smugglers' business model to ensure that we do not have people risking their lives on people-smugglers' boats. It is about time the shadow minister for immigration had the same obsession. (Time expired)

Mr Keenan (Stirling) (16:00): The Minister for Immigration and Citizenship has just had 15 minutes to outline to the parliament some of the arrangements that he believes need to be put in place for the people who are sent to Malaysia and to answer all of the questions that the opposition and many others in the community have asked—legitimate questions about what the fate of people who are transferred from Australia to Malaysia is going to be if this deal is actually ever concluded by this government. He was not able to touch on or answer how people who are sent to Malaysia will sustain themselves. He was not able to answer whether the children who are sent there will go to school. He was not able to answer any of the basic questions about the protection of their human rights. He came in and he gave his usual rant. He professed that he was not obsessed with the opposition spokesman for immigration, the member for Cook, and then proceeded for 15 minutes to talk exclusively about the member for Cook. There is probably a therapist he could call for that, but perhaps he would be best off concentrating on his portfolio and explaining to the Australian people what is going to concentrating on his portfolio and explaining to the Australian people what is going to happen if this Malaysia deal ever does come to pass.
Amongst Labor's extensive failures in their four years in government, border protection is surely one of the most disastrous. On coming to office, they found themselves with a situation where the people-smuggling trade had been destroyed, there were four people within our detention network who had come here illegally by boat, and the administration of that detention network was costing the Australian public millions and not billions. But, within the space of four years, they have managed to push the people smugglers back into business, they have cost taxpayers literally billions of extra dollars, they have trashed any semblance of a coherent regional foreign policy and they are currently presiding over the essential collapse of our immigration detention network. Things have been so bad in border protection that Julia Gillard was forced to knife Kevin Rudd—

The DEPUTY SPEAKER (Hon. Peter Slipper): The Prime Minister, I think you are referring to.

Mr KEENAN: and she cited Labor's border protection catastrophe as one of the reasons why she was required to do that.

The DEPUTY SPEAKER: Order! The member for Stirling will refer to the Prime Minister by her title.

Mr KEENAN: I will do in future, Mr Deputy Speaker. But, as with two of the areas that she nominated as reasons that the government had lost its way—the carbon tax and the mining tax—she has managed to take a bad situation and make it worse. One of the first things she did when she came to office was to axe the border protection committee of cabinet. This Prime Minister was so concerned about border protection, so concerned that the government had lost its way on border protection, that she abolished the highest level decision-making body that they had for dealing with the problem. That body was not even a year old. It had been announced by the former Prime Minister as a central part of Labor's response to people smuggling, and they had shelled out $2.8 million of taxpayers' money on it. When the Prime Minister was asked about that in the parliament today, she said: 'I prefer to just send these things to the National Security Committee of Cabinet.' I think her record of attending that National Security Committee of Cabinet speaks for itself. Clearly that shows how she prioritises border protection.

Secondly, she came up with the so-called East Timor solution. This is probably right up there with the people's assembly on climate change as one of the silliest ideas that has ever been floated by an Australian Prime Minister. It was announced in the heat of an election campaign without anyone within the government of East Timor having been consulted, and they rightly killed the policy from day one. Whilst Australian foreign policy professionals had to trawl around the region exposing themselves to extreme ridicule, the government pretended that there were still ongoing negotiations with the East Timorese, when everybody with even a vague familiarity with this problem knew that that just was not true.

Then came the PNG solution. The Labor Party were going to reopen Manus Island, something that the Papua New Guinean government was apparently well disposed towards, but they still managed to bungle that by sending up such a low-level member of the government—that by sending up such a low-level emissary from the Australian government so offended the Papua New Guineans that they refused to make any progress on the arrangement, even though both sides of
politics there were apparently well disposed towards it.

Then the Labor Party came up with the Malaysian people-swap deal. In a deal that highlights what savvy negotiators the Labor Party are, they have managed to get the Malaysians to take 800 of ours for 4,000 of theirs and we will get to pay the total cost. According to the Prime Minister and her hapless minister, this was a done deal with only minor details to be sorted out. It was announced on a Saturday eight weeks ago. Since that time, the immigration minister has been out there briefing journalists that it is about to be signed. They briefed journalists that the Malaysian Minister of Home Affairs would be on his way down within the next few days. That was a few weeks ago.

Why Labor announced an arrangement before they concluded it is a great mystery. It was an incredibly silly thing to do because it completely undermined the very little leverage they had with the Malaysian government. They made a desperate negotiating position even worse. They had a position that was so weak they could only arrange a five-for-one people-swap. Then the government went further and they undermined any possible leverage that they could use through a panicked public announcement of these half-baked arrangements.

They have spent the eight weeks since then—and the minister has done it again today—congratulating themselves on 'breaking the people smugglers' business model'. I have news for the minister and for Labor: they are the people smugglers' business model. If they want to destroy the people smugglers' business model, the best thing they could do is resign. People smuggling had been destroyed when they came to office, and they took a defibrillator and reinvigorated it—they zapped it back into life. The people-smuggling community are probably about the only ones left supporting this Prime Minister. The people smugglers have this government's measure. They understand that the Labor Party are all spin and no substance on tackling their evil trade. That is why, since this announcement was made eight weeks ago, they have actually sent more people illegally to Australia than arrived in the last six years of the Howard government. The people smugglers have seen how these guys opposite operate. They do not take them seriously, which is something they share with most of the Australian people.

The worse things have become, the more Labor has resorted to spin and misinformation in trying to hide the true state of affairs from the Australian people. After 15 minutes the Minister for Immigration and Citizenship was completely and utterly unable to provide this House with even the most basic details of the ongoing negotiations with the Malaysians. What exactly has been going on for the past two months? Why has this minister been briefing journalists, saying that an agreement is imminent? What is actually going to happen and how is this deal going to operate? Labor cannot even tell the Australian people what is going to happen to the people who have arrived since this deal was announced and who are currently detained on Christmas Island. The government insists they are going to be transferred to a third country, but it cannot say if Malaysia is going to accept these people or if Malaysia will have the right of refusal over people who arrive here. It cannot say if Malaysia will accept people who arrive in Australia without documentation, which is a pretty important point considering that about 80 per cent of people who arrive here illegally do not have any documentation.
The minister has been briefing the media, saying that the people who are sent to Malaysia are going to be tagged somehow. He is seriously telling people that he believes that is going to protect their human rights. The government has absolutely no idea what fate is going to befall the people it sends to Malaysia. It does not know how they will be fed or how they will sustain themselves. People there do not have work rights. Imagine if you were sent there and had a family—what would you do if you could not work? What would you be required to do to support them? You know that your children will not be educated. The government certainly cannot guarantee that people will not be subject to corporal punishment. These are legitimate questions, which the Australian people are right to ask, and the government should be providing answers to them.

We do not even know basic details about how people will be transferred to Malaysia. In the wake of the Oceanic Viking debacle, when asylum seekers were able essentially to hijack an Australian government vessel, we must wonder what would happen if that were repeated on a charter flight or an Australian Air Force flight that was flying people from Christmas Island to Kuala Lumpur. The government has not provided the Australian people with any details about the security that will be provided on flights. Will it be provided by the Australian Federal Police? If so, what powers will they have, particularly once that plane lands in Malaysia? Will the Malaysian authorities be responsible for taking people off if they refuse to get off the flight? I asked the Minister for Home Affairs exactly that series of questions last week in the House. His response was so vague as to be worthless. Quite frankly, he should just have stood up, shrugged his shoulders and stopped wasting everybody's time.

It was once possible to give these guys the benefit of the doubt about some of these policy questions. But when they have such an astonishing record of failure and incompetence, the time to provide the benefit of the doubt has well and truly passed. The eight weeks of silence since the Malaysian deal was announced show that it has gone completely off the rails. There is certainly a better way, and I ask the government to—

(Time expired)

Mr HUSIC (Chifley) (16:10): A few weeks ago I visited Christmas Island with two members who are in the chamber now: the member for Moreton and the member for Stirling. I had never been to Christmas Island and I found that it does take a considerable amount of time to get there. I went there as part of the Joint Select Committee on the Christmas Island Tragedy. While obviously I am limited in what I can discuss in reference to the deliberations of the committee in relation to those terrible events of 15 December, I can say that the trip was revealing to me in many respects and helped to form new approaches and perspectives on this issue.

As all members do, from time to time I receive emails from people who feel strongly about either side of this debate. During the course of the last two weeks I was prompted to respond to someone who felt strongly about the whole issue and—speaking candidly to the House—about the issue of Malaysia. I reflected on my experiences on Christmas Island and, in particular, talked about the visit we undertook to the place where those 30 people who had attempted to come to Australia perished on the rocks. I talked about the 20 people presumed dead and about the video that we had seen as part of the committee hearing. That video was taken from the perspective of the Royal Australian Navy and detailed the efforts being undertaken by the RAN to save those
people. I talked about the responses the RAN personnel gave about the film of diesel that covered the water off Christmas Island that day, and about the fact that whenever a member of the RAN was trying to lift somebody out of the water and into the boat, the forearms of the people who were trapped would slip through the fingers of the RAN personnel because of the diesel that covered the ocean and those people.

I remember the trauma that was still evident in the faces of the first responders, who appeared before the committee, who were forced to witness what happened that day and were helpless to assist people who were only a couple of hundred metres from shore and trying in all desperation to get ashore. Some of those first responders, including residents, said that they had thrown ropes to people in the ocean but that just as people were about to scramble over the top of the jagged rocks the swell would take them back out and then crash them back into the rocks. That would trigger a response from the people climbing up, who would let go of the rope and fall into the water. It was not just a case of those people coming back up over the rocks. As was put to us, any person who had a life jacket survived; anyone who did not have a life jacket did not survive. Forty-two people survived, 30 did not and 20 are missing, presumed dead. If you fell into the water without a life jacket, you were gone.

I do not think, as the minister said at the dispatch box, that anyone should make that journey. In some quarters there is a view that idealises people smugglers and tries in some respects to portray them as heroes. These people are profiting from the misery of others. They are profiting from misery and desperation. They do not adhere to the traditional view of people who are supposed to be in command of vessels—masters of vessels—that they should transport people only when they know full well that their vessel is safe and secure and that they can vouch for the welfare of the passengers on that vessel. They cannot do that. From my own perspective, I appreciate that there will be people that are moved by a concern that is, I would say, founded on an improper belief—that is, that sending people to Malaysia under this arrangement would put them in harm's way. We have heard what the minister has said—what clearly many of us regard as sacrosanct—which is that, with the benefit of guidance and input from the UNHCR, people being sent to Malaysia will be treated with dignity and respect.

But, most importantly, can I just say: it is a far better situation than having people in desperate circumstances make that trip across the ocean at their peril. Admittedly, the events of 15 December were highly unusual, as people told us on that day—in particular, some said that in living memory they could not recall the conditions being as bad as on that day. But no-one should be put in the position where they take that trip—two days across the ocean, 500 kilometres out from Jakarta, and take a risk that they will just land and they will find sanctuary—when in actual fact the people smugglers will not vouch for their safety. The people smugglers will not guarantee that safety and they are simply profiting from, as I said previously, the desperate plight of others. That is why I think it is important to place on the record that I do support the solution being advanced by the government. I believe it is a necessary one to deter people from making that decision to put their lives, the lives of their children and the lives of their loved ones in a terrible position where they risk all to come here.

The other reason I support what the government has put forward is that we are doing something qualitatively different, which is to significantly increase the number
of people who are able to come to this country via Malaysia as refugees. They are denied the false and misguided belief that, if they hop on the boat, it is a quicker path here. We liberate and, for a group of people who believed they would not have hope, give hope for a second chance at establishing themselves in a new country and improving their lot. Those 4,000 refugees who will be admitted to our country, and the people I have spoken of warmly in this place who have set themselves up as model citizens, because they have been given the benefit of a second chance, will be able to benefit from the arrangements the government is putting forward.

I know there will be people, even those who support me, who will fundamentally disagree with the position I am advancing. But all I can say to them is that I wholeheartedly, and deep within me, believe that the solution we are putting forward is in the best interests of those who would contemplate making this trip and those who currently are stuck in another country, chiefly Malaysia, who seek a better life, who have sought refuge and who we can provide that refuge to.

In terms of the opposition putting forward this notion of transparency, it beggars belief that this could be advocated through this MPI. If you review the history of when they sat on this side of the House, when they were urged to be transparent, when they were urged to correct their approach, the only time they took action was when people within their own government refused any longer to tolerate the litany of mistakes and errors and the fractured nature of the system as it was under the former government, and they tried to force change. As I have previously recounted, we only need to go through, for example, the circumstances of Vivian Solon, who was unlawfully removed to the Philippines in July 2001. Four years later it emerged she had been deported and the government had known of the mistake at least two years earlier. It was never transparent in this House on that fact. Then there was Cornelia Rau, who was an Australian permanent resident unlawfully detained for a period of 10 months in 2004-05. Peter Kazim was held in detention for seven years. There was also the mother and daughter Virginia and Naomi Leong. Virginia Leong, a Malaysian citizen, was arrested and placed under mandatory detention in 2001 for attempting to leave Australia without the correct papers.

All these people suffered under the previous arrangements administered by the former government—no skerrick of transparency or openness. The other side, not willing to abide by the notion of transparency, now advocates that others should be transparent. We have provided the detail on 1,200 questions submitted by the opposition through the Senate estimates process. We have opened ourselves up to transparency. We are prepared to do the right thing by people who would tempt fate and travel over the seas to get here. We have done a far better deal for those people than what those opposite ever imagined they could do. (Time expired)

Mr HAASE (Durack) (16:20): It gives me great pleasure to rise on this matter of public importance today because I think we might have found another recruit for this side of the House in the member for Chifley. He indeed strikes me as a fine, upstanding moral citizen. I am a little worried that some of his strategies to achieve a given outcome are odd, perhaps even way out. But his intent of stopping people getting onto leaky boats at high monetary cost and at potentially the cost of their lives and the lives of their families is exactly the intention we have on this side of the House. The proof of our ability to achieve that, of course, is now recent history.
When the Rudd government took over in this place there were four detainees in Australia—just four detainees. Years prior to that there was a great influx of illegal people-smuggling vessels. And we, through effective policy, stopped those boats arriving. Through the member's own admission, that is exactly what he wishes to achieve as an individual, he says. For goodness sake, why does he not say to his current leader, 'Simply put in place policies that will reverse those policies put in place in August 2008 and go back to a working system as introduced by the Howard government that stopped people declaring themselves as refugees, paying people smugglers to engage in their horrendous, often treacherous trade resulting in death at sea'? It is so simple.

Over a number of years the Howard government put in place policies that stopped the boats. Those policies, of course, included offshore processing of refugees and they included the issuing of temporary protection visas. Temporary protection visas, to the satisfaction of the UNHCR, gave refuge to those persons who were persecuted in other countries until such time as those conflicts had been put to rest. Those policies—very simple, humane, effective and sympathetic policies—put an end to the flood of boats arriving on our shores with people seeking refugee status. These people had put their lives and the lives of their families at risk to get onto those boats. Families paid their hard-earned dollars to a people smuggler. It stopped. The member for Chifley ought to come across and join us, because our endeavours are exactly the same.

The point that we make, however, is that the processes that are being proposed presently have very, very little chance of success. We believe they will have no more success than the policies that have been put in place since the Rudd government came to power. Of course, all those policies did was effectively to say to the potential arrivals on our shore that would pay people smugglers: 'Come on down; the gates are open. The welcoming committee is here for you.' No-one, no rational person in the government today, can stand up, hand on heart and say to the Australian people, 'We have policies that secure our borders and are effective in stopping the flood of illegal persons to these shores.' You cannot do it and therefore your credibility is shot—shot as in so many other areas. The Prime Minister herself, Ms Julia Gillard, back on 27 June last year was explaining to Laurie Oakes why she had knifed Kevin Rudd for the leadership. She said:

… I took control to get the government back on track.

It is interesting to reflect on that statement, given today's polls. She said also:

I'm obviously concerned about asylum seekers, about boats. I've indicated that concern, and I think the Australian community feels it.

Well, I can assure her on that point she was dead right. The Australian community feel it, all right. They want the flow of boats stopped and I believe they want a government that will do just that, and they have no faith in the current Gillard government to stop that flow of boats. She said also:

I believe in doing the effective things to manage our borders.

By that the people of Australia thought she would manage the borders to make them secure, to make them non-porous, to create a barrier between those that would come to this country illegally, unannounced and often unwelcome and those that would come instead as refugees through the formal process. What the Prime Minister in fact meant was: 'I will manage our borders in a way where I will conduct the traffic, I will
regulate the traffic and I will direct the traffic. I will not slow the traffic. I will direct the expenditure of Australian taxpayers' dollars. I will do it in a way to increase the budget from $1 million to $1 billion of Australian taxpayers' money per annum to look after refugees that come here through a process that risks their lives.' It ought to be through a process which is condoned by the UNHCR and which is done in a regulated manner so those persons are checked, have their credentials verified and come to our shores in a regulated manner. Why on earth would somebody be on that side of the House as part of a government with failed policies when they express a point of view in this place that they sincerely desire a satisfactory outcome where people smuggling stops and people are not tempted to take to the sea in leaky boats? It is frankly beyond me.

We call for transparency of process. More importantly, of course, we would like the cessation of the arrival of the boats. But we have asked today for you to explain why there is transparency lacking in your process, specifically in relation to the deal you are trying to cook up with Malaysia. That is a very interesting thing. I understand that the Malaysian proposition has been formulated on the basis that the easy approach to this problem—accommodating refugees and processing them in Nauru—was unacceptable to the Prime Minister because Nauru was not a signatory to the UN convention. It may be of interest to anyone that ever hears or reads my comments to find out that Malaysia is not a signatory to that convention either. Is it not interesting that Nauru was unacceptable, even though readily available and almost instantaneous, but Malaysia—in the same category of not agreeing with the UN convention—is acceptable? It beggars belief. I recall the member for Chifley mentioned something about our MPI surprising him. I suggest that it is beyond belief that the Prime Minister can find cooking a deal with Malaysia to be satisfactory, Malaysia not being a signatory, but doing an easy, instant deal with Nauru is not considered because they are not signatories. As a matter of interest, in regard to signing that convention, the Nauruan government has signed an instrument of accession to the 1951 Convention relating to the Status of Refugees and the 1967 Protocol relating to the Status of Refugees, formally beginning the process of its ratification of the United Nations Convention relating to the Status of Refugees. If the past is any indication of the time it will take in the future, by the time the Prime Minister is in a position to actually announce a signed deal with Malaysia, I suggest that Nauru would possibly be a signatory. She ought to phone Nauru now and get the deal going that will make them part of the process that will stop those boats coming here, which after all is what the Australian people expect of a government. (Time expired)

Mr PERRETT (Moreton) (16:30): With great pride, I rise to speak on this matter of public importance and thank the member for Durack for what I guess we would call a contribution. Firstly, I want to point out how complex this problem is. Border protection is a very complicated issue. Australia has to patrol an area equivalent to 1.54 million square nautical miles.
I would like to commend Rear Admiral Tim Barrett and all the ADF personnel, the Customs personnel, the Federal Police and all the people involved in the Border Protection Command. They do a fantastic job. As the member for Chifley stated the other day, we have been involved in the inquiry into the Christmas Island boat tragedy. Not only have members of the Border Protection Command appeared before the inquiry; they assisted the committee when we visited Christmas Island, where we met high-ranking officers as well as those doing the work on the ground and out on the ocean. They are all incredibly professional. I want to commend them for what they do, and I want to take issue with the suggestion in the MPI that somehow they are falling down. The reality is that, since the Gillard and Rudd governments have been in office, approximately one per cent of illegal vessels are arriving, whereas previously it was about 10 per cent. The Gillard government invested $1.2 billion in the 2010-11 budget to bolster our border security. This is building on the $654 million border protection and anti-people-smuggling package announced in the previous budget.

We have eight new Bay class patrol vessels. We met some of the Navy personnel working with those. We have 18 vessels and 17 aircraft, which operate out of South Australia and Darwin, doing some great patrol work. It is boring and monotonous work but work that keeps us safe in our beds at night.

We also gave extra resources to our regional partners. We are going beyond our borders to wreck the people smugglers' business model. We announced $24.8 million in extra funding to law enforcement agencies in Indonesia, Malaysia, Thailand, Pakistan and Sri Lanka for funding extra patrol boats, surveillance aircraft and communications equipment, helping the Indonesian National Police detect and disrupt people—as we saw the other day—and new land based policing surveillance and investigative equipment for partner law enforcement agencies in the region. We are working with our neighbours, understanding that we are connected to the rest of Asia and this part of the world. We gave $5 million to develop new computer forensic capabilities with the Indonesian National Police. These are great initiatives that are good for our nation as a whole and obviously making our borders more secure. In November last year,
Minister O'Connor announced a $2 million package for the new maritime radio communication system to help Indonesia combat maritime threats. These are the practical solutions and practical realities that show that the Gillard Labor government are working to protect our borders. We are being transparent about this. All of these announcements are in media releases and in the budget packages. There is nothing secretive at all about this.

The reality is that those opposite are taking a punt on a stunt. We saw that in Nauru, which was a total waste of money. We see that in the foreshadowed visit to Malaysia. Nauru never did break the people smugglers' business model. Where did 90 per cent of the people who ended up in Nauru finally put down their roots? They are either in Australia or New Zealand. There is something there that people smugglers can sell. Obviously we need to break that business model. As the member for Chifley stated—he is on the same inquiry—we should do so not only because it is good common sense for Australia but also, and more importantly, because it will save lives.

We saw a few months back a big story in the Age and Daily Telegraph about a missing boat with perhaps up to 100 people gone. That is horrible, but what is even more horrible is watching people drown, which is what the Australian Navy personnel have had to do, as well as the people on the parliamentary inquiry looking into the SIEV221 and the 50 deaths that are associated with it. The reality is that we need to do whatever we can to save lives.

I will be the first to admit—or the second to admit, because I think Minister Bowen said the same thing—that Malaysia is tough. It does not have the same justice system as Australia. It has the same roots but it has evolved slightly differently. It has provinces that have sharia law. Malaysia is a country of contrasts; we know that. It has a proud history. Some say that, if the Macassans had had flags, maybe they would have claimed Australia when they came here in the 1500s and 1600s to trade with Aborigines. It has a proud history, but it is a country of contrasts. I would suggest that the Petronas Towers are the most beautiful buildings in the world. I know that is a big call for people who have been to Paris and New York and other places, but for me they are the most beautiful buildings in the world. Then you can go to other provinces in Malaysia where there is strict, harsh sharia law embedded in the justice system. So Malaysia is a country of contrasts and it will be hard to protect every single person who goes there. I hope the member for Cook gets out of there safely; I am sure he will. The reality is that Malaysia does have a slightly different system to Australia, but I go back to the member for Chifley's point: if we can save lives with this exchange of 4,000 for 800 and also give those people who have been sitting patiently in the Malaysian refugee camps a chance to have a another life, that will be a good thing. When you weigh it up, if we can save lives and stop those horrific tragedies occurring again, that will be a good thing.

We have got maybe 800 days left until the election day. No doubt every day for the next 800 days will have the Leader of the Opposition coming in here and doing a stunt or going out in the media doing a stunt. Every day for the next 800 days he will trot something out. Maybe he will look to the past, especially today when we are looking at events of a year ago, but we will look at the future.

Mrs Griggs: You keep going back to Work Choices.

Mr Perrett: No, we are not going to back to Work Choices. That is your
embryonic policy. I will take that interjection. The reality is that we are not interested in Work Choices. The first things we did were to ratify Kyoto and get rid of Work Choices because we believe in working for the future.

I will go back to the past a little bit and look at the member for Cook’s suggestion of having a Malaysian solution, except it was not in Malaysia; it was in Iran. I do not know the President of Iran as well as the member for Cook—(Time expired)

The DEPUTY SPEAKER (Hon. BC Scott): Order! The time for this discussion has concluded.

MINISTERIAL STATEMENTS

Superannuation

Mr SHORTEN (Maribyrnong—Assistant Treasurer and Minister for Financial Services and Superannuation) (16:41): by leave—The Gillard government believes Australians should achieve a more comfortable and secure life when they retire. There is little benefit in working hard, but retiring poor. In mid 2011, two decades after compulsory superannuation was introduced, superannuation stands as one of Australian Labor’s most enduring and far-sighted reforms. Superannuation works—it is already delivering retirement security to millions of Australians—and increasing the compulsory contribution to 12 per cent will only make the story better.

The Gillard government has a vision for Australians to live long lives full of comfort and meaning. We are living longer than ever before, but without better superannuation savings many Australians may have insufficient income security in retirement. But if we invest we will make the nation’s future stronger, creating a massive national wealth pool.

The story of superannuation is a strong story. Between July 1992 and June 2003 when the superannuation guarantee was lifted to nine per cent:

- the Australian economy grew robustly—GDP growth averaged 3.9 per cent per annum;
- unemployment fell from 11 per cent to 6.1 per cent;
- labour productivity grew very strongly, well above its 30-year average, at 2.2 per cent per year;
- real unit labour costs fell over the period by 4.4 per cent;
- real wages grew; and
- Australian business profitability grew by 6.1 per cent a year and profits rose as a percentage of GDP.

I do not attribute all these outcomes to superannuation solely, but the numbers demonstrate increasing compulsory superannuation works with economic progress.

I would not be exaggerating, however, if I said that the introduction of the superannuation guarantee back in 1992 generated fearmongering amongst those opposed to compulsory retirement savings. The then member for Bradfield, the opposition’s spokesperson on superannuation in 1992, described the Labor government policy as ‘absolutely abhorrent’. He claimed that ‘hundreds of thousands of workers are going to lose their jobs’ and predicted the reforms ‘would cause even higher unemployment, reduce real wages, add to inflation and do nothing to provide genuine retirement income for the majority of Australians’. The then member for O’Connor described superannuation as ‘stupid and dishonest’. Senator Alston told the other place that ‘imposing compulsory superannuation on individuals does not increase total
savings'. The then member for Curtin said that 'the superannuation guarantee levy will have a disastrous impact on business'. I remind the House today of these 1992 statements to simply remind all of us how wrong it would be to let prejudice, vagrant opinion unsupported by visible facts, distract us from the important task of building domestic savings to support economic growth. It should be noted that the economic arguments advanced against the superannuation guarantee in the early 1990s—whether it was that business could not afford it; that it would be better in workers’ pay; or that it will increase unemployment—were subsequently disproved and discredited. Yet these are exactly the same arguments being trotted out by the naysayers today.

In 2011 it is time for the Gillard government to continue improving the retirement savings of working Australian people. Personal security is a priority—nine per cent superannuation is not enough to maintain the lifestyle most of us take for granted, especially women who have breaks in their career.

With the Gillard government’s commitment to take the superannuation guarantee from nine to 12 per cent, we are strengthening superannuation. And we are strengthening the chances of Australians who have worked hard and paid taxes being able to retire with a measure of decent comfort.

With our commitment to increase the concessional caps for over-50-year-olds from $25,000 to $50,000 when balances are below $500,000, we are strengthening superannuation.

With our commitment to make the system fairer by giving people the ability to have first time breaches of excess contributions up to $10,000 assessed at their marginal rate of tax, rather than incurring a potentially higher rate of excess contributions tax, we are strengthening superannuation.

With our commitment to make superannuation concessions fairer for 3.5 million low-income workers who currently get little or no concession on their super savings, we are strengthening superannuation. And we are ensuring that superannuation is not just for the well off.

With our commitment to raise the superannuation guarantee age limit from 70 to 75 from 1 July 2013, coinciding with the increase in the rate of the superannuation guarantee, we are strengthening superannuation.

These legislative commitments deserve the full support of this House and this parliament.

As the responsible minister I believe the inadequacy of the current nine per cent superannuation warrants greater attention in the broader national economic debate. Financial experts generally believe the average worker will need at least 60 to 65 per cent of pre-retirement income to live comfortably. The OECD recommends 70 per cent. At present only 35 in every 100 Australians are likely to achieve their desired standard of living in retirement. Despite having the fourth largest pool of funds under management in the world, in terms of adequacy, our retirement savings system ranks only seventh on the global comparison.

And with mortality improvements, the average 65-year-old man will now live beyond the age of 85. And the chance of one member of a couple reaching 100 is astonishingly high. So an increasing number of Australian retirees are going to outlive even substantial sums set aside for retirement. Adequate retirement is even a bigger problem for women, given that women on average earn 34.8 per cent less than men.
Today, the average retirement lump sum of someone aged between 60 and 65 is $245,000 for men and $170,000 for women. By 2036, those numbers will lift to $485,000 for men and $345,000 for women, and members will note that this means women’s superannuation actually doubles between now and then. But a significant part of this forecast growth in retirement balances is attributed to the Gillard government’s proposed reforms of the minimum mandatory 12 per cent superannuation guarantee and SuperStream’s efficiencies.

This is why the minerals resource rent tax is so important to our nation’s future. It will pay for the tax concessional treatment of the additional three per cent superannuation guarantee—because workers’ retirement contributions are taxed at 15 per cent instead of their higher marginal personal income tax rate.

Private sector research demonstrates that a couple in life after work need about $54,000 per year to live comfortably. I am not satisfied the status quo of nine per cent will deliver a sufficient reward for decades in the workforce. For an individual it is around $23,000 a year including the aged pension entitlement. The average current retirement balance from AustralianSuper, I am advised, is about $43,000. If retirees try to live at the aforementioned adequacy standard their superannuation will be exhausted in just three or four years. If a couple stick to a modest lifestyle they have an 80 per cent chance of it lasting their lifetime as an allocated pension. For those who have bigger balances or those with more time in the workforce contributing nine per cent who may ultimately achieve balances of $150,000 or $300,000 the outlook is still not greatly better.

Retiring at 65 the retiree with $150,000 can only expect to be able to live comfortably until they are 71 and the retiree with $300,000 until they are 80 years old. That is still well short of a retiree's life expectancy. Because the undeniable fact is that we are living longer. The number of Australians over 65 years of age is projected to grow from three million in 2010 to 8.1 million by 2050. During the same period, the ratio of working-age Australians to those aged over 65 will decrease from 50 people for every 10 today, to just 27 working people for every 10 by 2020.

It used to be the case that we would leave school in our teens, work for 40 to 50 years and then live in retirement for about 10 years. Now we might be in education until 20 to 25 years of age, work for about 35 years, and then we have a post-work life of say 20 or even 30 years.

What it means to retire has been fundamentally redefined with the gift of longer, healthier life. Longer life is the great gift from 20th century Australia to 21st century Australia. The legacy of health and medical science discoveries combined with living in the lucky country. This longer life after work is why the Gillard government’s superannuation reforms are so very important to addressing the retirement savings adequacy gap that so many Australians are facing today.

Whilst women live longer than men, their super balances are in fact on average 30 per cent lower than men’s. This is a serious challenge to their financial independence. Currently, around 2.1 million Australian women get no tax benefit from contributing to superannuation, due to the 15 per cent superannuation contribution tax being at or below their income tax rate.

The Gillard government is therefore acting on the recommendation of the Australia's Future Tax System (AFTS) report which said that superannuation tax
concessions be distributed more equitably. From 1 July 2012, the government will make the system fairer by ensuring no tax is paid on the nine per cent superannuation guarantee contributions for Australians earning up to $37,000 and that the money is instead directed into their superannuation. Sixty per cent of the beneficiaries of this policy are women. The superannuation savings of 2.1 million women earning less than $37,000 will be boosted by $550 million in 2012-13 alone. The combined impact of our reforms means the superannuation savings of 3½ million low-income earners, both men or women, will be boosted by a total of $830 million per annum in 2012-13. So a 30-year-old woman on average wages (around $60,000) will have an extra $108,000 in retirement savings, providing her with an extra $2,900 to spend each year of her retirement. If that 30-year-old woman undertakes some part-time work and spends time out of the workforce, she will still have an extra $78,000 in retirement savings, amounting to an extra $1,800 to spend in each year of her retirement.

Data today does show that around 30 per cent of the workforce receives more than nine per cent superannuation already. This includes workers and employees at companies as diverse as Linfox and National Australia Bank. In fact, National Australia Bank has been paying its staff over nine per cent for about a decade.

All members of this parliament will receive either the very generous defined benefit if they were fortunate enough to be elected before 2004 or receive 15 per cent superannuation if elected after 2004. So how can it possibly be reasonable or consistent for this parliament to say that one thing is acceptable for the members of this parliament but vote against better conditions for the rest of Australia’s workforce?

The benefits of increased superannuation are not only to the individual, but to the whole of the nation that we love. As of March 2011 Australia enjoys well over $1.36 trillion invested in superannuation. This figure is estimated to grow to $6.2 trillion by 2036, including $550 billion directly from the government's superannuation reforms which I have outlined. This massive, rapidly-growing pool of funds means that more money is available to be invested in the broader economy. A proportion of this growing pool of funds will be allocated to the domestic economy, and will continue to be a great enabler of Australian enterprise.

Our multitrillion dollar savings pool is a terrific business enabler because it means that Australian companies have access to a large domestic savings pool. It should not be overlooked that during the global financial crisis approximately 15 per cent of the globe's capital raisings was undertaken here in Australia—largely due to our trillion-dollar nest egg.

Our already strong degree of financial self-reliance is one of the reasons why Australia weathered the global financial crisis so well. And the post global financial crisis growth of funds under management continues to drive a significant and sophisticated wealth management industry in Australia.

Our superannuation reforms will deliver a great good to Australians upon their retirement and the Australian economy more generally. The great good of a comfortable postwork life. The great good of seeing Australia become even better at financial services. The great good of more capital becoming available for nation-building infrastructure. The great good of low inflation, high savings and a more secure future.
The Gillard government understands the forces of economic transition that we must manage shrewdly to secure the next wave of national prosperity. That the ageing of our population is one of these forces is undeniable and the need for greater retirement savings is therefore irresistible. The Gillard government is acting for the long term and we are strategically positioning the nation for the challenges and opportunities of the future—be it climate change, the National Broadband Network or stronger superannuation. Australians need not fear the future—we should be optimistic.

The goal of lifetime income security for Australians is a worthy mission for all those of the parliament. I urge the House to consider these matters carefully over the coming winter recess, for when the parliament returns in the second half of this year there is important work for us to do to secure and strengthen Australia’s future.

I ask leave of the House to move a motion to enable the member for North Sydney to speak for 15 minutes.

Leave granted.

Mr SHORTEN: With some trepidation, I move:

That so much of the standing and sessional orders be suspended as would prevent Mr Hockey speaking in reply to the ministerial statement for a period not exceeding 15 minutes.

Question agreed to.

Mr HOCKEY (North Sydney) (16:57): Despite the chief executive of a significant financial institution describing me as Hugo Chavez, I will speak for only 15 minutes.

The Assistant Treasurer has sought to portray the coalition as antisuperannuation and antisavings. I assure him that we are not. The coalition believes there is a pressing need to increase national savings. As a nation we need to save more to meet our burgeoning requirements for more infrastructure. We need to save more to provide for the longer retirements that we can all now expect to enjoy, as the Assistant Treasurer referred to. But we also need to save more to become less reliant on international capital markets.

The coalition supports Australia's three-pillar retirement system comprising an aged pension, a compulsory system of retirement savings through superannuation and incentives for voluntary saving. The coalition wants to encourage as many Australians as possible to plan and save for their retirement and to take full advantage of the benefits the superannuation system offers. We want to see a superannuation system which is as efficient, as transparent and as competitive as possible so as to maximise retirement incomes for all superannuants.

That is why the coalition will continue to support any changes making our superannuation system more efficient, transparent and competitive and which deliver better value to superannuants across Australia. In particular, sensible changes to streamline super fund operations and to strengthen corporate governance arrangements should be progressed by government as a matter of priority.

Where we differ from the government is in the way that increased national saving can be achieved. The very first step should be for the government to lead by example and get its fiscal house in order. This year the government is dissaving to the tune of $49.4 billion and next year—a heroic assumption, but nevertheless reported in the budget papers—$22.6 billion. Net debt will continue to rise and will peak at an estimated $107 billion next year, the highest peacetime debt in dollars in our history. This is a disturbing outcome at a time when Australia is enjoying the strongest terms of trade in around 150
years. Now is the time when the government should be putting money aside, paying down debt and preparing for a rainy day.

The coalition is opposed to some, but not all, of the government's proposals on superannuation. This is not because we do not believe in superannuation. Rather, many of the government's measures are funded from the proceeds of the mining tax. The coalition does not believe that saddling our most productive business sector with another tax is in the best interests of the country. It does not help our country to compete on a global scale by putting lead in the saddlebags of our fastest horse.

The Assistant Treasurer has outlined various elements of the government's policy on superannuation. The government has committed to increasing the superannuation guarantee from nine per cent to 12 per cent. What they have not been upfront about is who is going to pay. The additional superannuation which workers will accrue is not intended to be a wage rise. The total remuneration received by workers will not increase. Rather, the intention is that workers should accept lower wages growth in return for increased superannuation. Workers will have less spending power today in return for greater spending power in the future. Now is not the time to be eroding the growth in workers' take-home pay. Australians are already under considerable financial stress from the rising cost of living, rising interest rates and additional government taxes.

The Melbourne Institute survey shows that household financial conditions fell by nearly one quarter in June to the lowest level since the survey began in March 2001. The Westpac-Melbourne Institute Consumer Sentiment Index shows consumer confidence has fallen to the lowest level since the global financial crisis. It is no wonder that Australians are cocooning—reducing spending and increasing savings. The household savings ratio for the March 2011 quarter rose to 11.5 per cent—again, a level not seen since the global financial crisis. The 11.5 per cent ratio means that households are now saving more than a tenth of their disposable income. Australians cannot afford another hit to their take-home pay.

The Henry tax review argued against an increase in the superannuation guarantee. Remember, this was chaired by the man who was then the Secretary of the Treasury and is now, rather extraordinarily, the private adviser to the Prime Minister. The review's Report on strategic issues for the retirement income system specifically recommended not increasing the superannuation guarantee from nine per cent to 12 per cent but that the superannuation guarantee rate should remain at nine per cent. It states:

This strikes an appropriate balance for most individuals between their consumption opportunities during their working life and compulsory saving for retirement.

The review suggested there were better ways to support retirement savings:

The Panel considers that more can be done through preservation and other rules to ensure that the 9 per cent contribution rate produces an adequate retirement income for greater numbers of people, and its other recommendations are made partly for this purpose.

The Henry review also made the point that Labor's plan to increase compulsory super beyond nine per cent would most heavily impact on low- and middle-income earners. These are, of course, Labor's forgotten families, already doing it tough and dealing with increasing cost-of-living pressures. There is Labor's flood tax and obviously the carbon tax, if it comes through this place, and they will probably be indirectly affected by the mining tax.

There is another problem with Labor's approach. The government is creating a
structural hole in the budget. The spending—that is, the tax forgone—from the increase in the superannuation guarantee will rise through time. However, the revenue from the mining tax is highly variable. The government’s forecasts of revenue over the forward estimates are based on commodity prices and the terms of trade remaining at historically high levels. Inevitably, over the longer term, commodity prices will fall and revenues will decline. This combination of volatile revenues and rising commitments will add to the fragility of the budget. It will add to the cyclic movements in the budget bottom line. It is another example of the poor fiscal practice and inexperience of this government.

The government has announced that it will raise the superannuation guarantee age limit from 70 to 75, with effect from 1 July 2013. The coalition welcomes this change. We wish the government had gone further. The coalition’s shadow minister for seniors, Bronwyn Bishop, the member for Mackellar, introduced a bill to parliament on 28 February 2011 which sought to amend the Superannuation Guarantee (Administration) Act to abolish the age limit on the payment of the superannuation guarantee charge. This would provide for all employees to receive superannuation guarantee contributions, no matter what their age. The coalition’s current position is that it does not see it necessary to have any age limit at all. The current age limit set at 70 unfairly discriminates against older workers and, in effect, means they take a pay cut at age 70 through the loss of compulsory superannuation. At this point, some may be discouraged and leave the workforce. We should be encouraging mature Australians to work for as long as they want. We cannot afford to prematurely lose their hard won wisdom and skills.

The Assistant Treasurer wants the government to be given credit for doubling the concessional contribution cap from $25,000 to $50,000 for over-50-year-olds with superannuation balances below $500,000. However, what the Assistant Treasurer fails to mention is that this policy is simply unwinding in part the government’s earlier decision in the 2009-10 budget to halve the contribution cap. That was ill-considered policy—in keeping with a number of other initiatives from the government. It was done at a time when many working Australians approaching retirement age had been dealt a hard blow by the global financial crisis. Their accumulated retirement savings had fallen sharply in value as stock markets crashed in Australia and around the world. What Australians needed was the capacity to rebuild their savings. Instead, this government chose to make it harder for them to contribute to superannuation.

Labor has changed the rules regarding concessional and non-concessional caps in each of the last three budgets. These changes have, overall, been designed to raise additional revenue to pay for this government’s wasteful ways. In effect, the government has been reducing the saving capacity of ordinary Australians so that it does not have to cut its own bloated spending. It is not good policy. The frequent changes have created great uncertainty and impacted confidence in the superannuation system as a retirement savings vehicle.

These frequent changes and uncertainty have been a factor in many more Australians being caught by excess contributions tax. The Assistant Treasurer has noted a concession on the excess contributions tax, allowing people with first-time breaches of excess contributions up to $10,000 to be assessed at their marginal rate of tax rather than incurring a potentially higher rate of excess tax. This is welcome. Treasury estimates that more than 65,000 Australians...
are likely to breach their concessional superannuation contribution cap during the 2009-10 financial year, up from 28,000 the previous year. The government is taxing those excess contributions at 46.5 per cent and will collect around $140 million in additional tax revenue from these accidental breaches.

There are a lot of annoyed hardworking Australians who have been doing the right thing by providing for their own retirement but who have now been stung by the frequent and confusing changes this government has made to concessional contribution caps. Excess contributions tax on superannuation contributions has been a particularly hot issue in my electorate of North Sydney. I have been advised that some superannuants who have unintentionally breached the non-concessional contribution cap rules by between just $125 and $5,000 each are now facing tax bills of around $70,000 each. This hardly seems equitable in the light of a government that has continuously shifted the goalposts for the past three financial years. It has made compliance and monitoring difficult if not impossible for working Australians, and all these hardworking Australians will not be assisted by the government's latest changes.

In conclusion, the coalition is fully supportive of the superannuation system as one element of retirement savings. When last in government, the coalition introduced reforms to enable Australians to choose their own superannuation fund. We oversaw payments and incentives that encouraged Australians, especially Australians on lower to middle incomes, to make additional contributions to their retirement nest egg. The coalition will continue to support measures that encourage Australians to provide for their future.

**MOTIONS**

**Health Insurance (Extended Medicare Safety Net) Amendment Determination 2011**

**Health Insurance (Extended Medicare Safety Net—Telehealth) Amendment Determination 2011**

**Health Insurance (Extended Medicare Safety Net) Amendment Determination 2011 (No. 2)**

Ms ROXON: I move:

That, in accordance with section 10B of the Health Insurance Act 1973, the House approve the:

(1) Health Insurance (Extended Medicare Safety Net) Amendment Determination 2011 made on 23 May 2011;

(2) Health Insurance (Extended Medicare Safety Net—Telehealth) Amendment Determination 2011 made on 23 May 2011; and

(3) Health Insurance (Extended Medicare Safety Net) Amendment Determination 2011 (No. 2) made on 1 June 2011;

and presented to the House on 14 June 2011.

Question agreed to.

**BILLS**

**Inspector-General of Intelligence and Security Amendment Bill 2011**

Report from Main Committee

Bill returned from Main Committee without amendment; certified copy of bill presented.

Bill agreed to.

**Third Reading**

Mr GARRETT: by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.
Product Stewardship Bill 2011
Report from Main Committee
Bill returned from Main Committee without amendment; certified copy of bill presented.
Bill agreed to.

Third Reading
Mr GARRETT: by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Combating the Financing of People Smuggling and Other Measures Bill 2011
Consideration of Senate Message
Bill returned from the Senate with an amendment.
Ordered that the amendment be considered immediately.

Senate’s amendment—
(1) Schedule 1, page 7 (line 20), after item 18, insert:
18A After subsection 49(1)
Insert:
(1A) A person (the issuer) must not give a notice under subsection (1) to another person (the recipient) unless the issuer reasonably believes that the recipient has knowledge of the information, or possession or control of the document, that is specified in the notice.
(1B) The period specified in the notice for giving the information or document must be at least 14 days after the notice is given unless:
(a) the recipient is the reporting entity who communicated information to the AUSTRAC CEO under section 41, 43 or 45; or
(b) both of the following apply:
(i) the issuer considers that specifying a shorter period is necessary;
(ii) the shorter period specified is reasonable in the circumstances.

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (17:14): I move:
That the amendment be agreed to.

The government has moved a two-part amendment in the Senate to address recommendations by the Senate Standing Committee for the Scrutiny of Bills in its report on the bill dated 23 March 2011. The bill amends section 49 to extend the power to obtain further information in relation to a report made to AUSTRAC beyond a reporting entity to any other person. This change to the AML/CTF Act is strongly supported by AUSTRAC and law enforcement agencies as the expanded information gathering power will assist them in preliminary investigations into serious and organised crime.

The first part of the proposed amendment to the bill provides that a notice requesting information or documents may only be issued if there are reasonable grounds to believe that the recipient has knowledge of the information or possession or control of the document sought. This government amendment will ensure that a person is not subject to this coercive power without proper justification and is in keeping with broad government policy and the recommendation of the Senate Standing Committee for the Scrutiny of Bills.

The second part of the proposed amendment provides a minimum 14-day compliance period where the recipient of the notice is not the reporting entity who initially communicated the report to AUSTRAC. However, the amendment allows a period of less than 14 days where it is necessary and reasonable in the circumstances. The Senate Standing Committee for the Scrutiny of Bills queried whether a 14-day period should be
applicable, as this is generally considered as the minimum time in which a response can reasonably be expected. The proposed amendment addresses this issue and ensures that minimum time frames are provided in the legislation. The ability to require a shorter time frame recognises that AUSTRAC and law enforcement will often require prompt responses so that they can effectively carry out investigations.

Mr KEENAN (Stirling) (17:17): The opposition concurs with the amendment and supports the bill as a whole. I would like to note that we can do everything that we possibly can to combat the financing of people smuggling, but people smugglers will continue to ply their evil trade unless we make changes to our immigration system and accept the opposition's proposals to stop the people smugglers in their tracks.

Question agreed to.

**Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy (Collection) Bill 2011**

**Consideration of Senate Message**

Bill returned from the Senate with an amendment.

Ordered that the amendment be considered immediately.

*Senate's amendment—*

(1) Clause 2, page 2 (table item 2), omit the table item, substitute:

2. Sections 3 to 8  At the same time as section 3 of the Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy Act 2011 commences.

4. Sections 10 to 16  At the same time as section 3 of the Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy Act 2011 commences.

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (17:18): I move:

That the amendment be agreed to.

In relation to the cost recovery bills, the government supports the two opposition amendments to address recommendations made by the Senate Legal and Constitutional Affairs Legislation Committee in its report on the bills dated 20 June 2011. The first amendment, to review the supervisory cost recovery levy two years after royal assent of these bills, is in line with the Australian government's cost recovery guidelines and statements made within the cost recovery impact statement published by AUSTRAC in May 2011. The levy bill already provides for the minister to determine by legislative instrument the amount of levy payable by a leviable entity for a financial year. The use of a legislative instrument made by the minister ensures that cost recovery has the flexibility to be responsive to changes in the regulatory population and AUSTRAC's supervision strategy. It also provides an opportunity for annual consultation with industry as to the most appropriate allocation of costs across the sector. The amendment to mandate a review of the regulatory impact of the levy will complement the two annual periods of consultation with industry that will have occurred as a result of the ministerial determinations in the 2011-12 and 2012-13 financial years. These stakeholder consultations, together with any
changes made to the cost recovery model, will provide valuable input into the review of the supervisory cost recovery levy provisions contained within the bills.

The second amendment delays commencement of the late penalty payment provision for six months after the commencement of the operative parts of the Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy Bill 2011. The government has already publicly stated that invoices in respect of the AUSTRAC supervisory levy for the 2011-12 financial year would not be issued until at least February of next year. This time frame will provide AUSTRAC with an appropriate amount of time to establish its systems to collect the levy and also to engage with industry on practical aspects of its application. As such, the government supports this amendment, which clarifies in the bill statements already made on this issue.

The suite of bills before the House today are a positive step for Australia's anti-money-laundering and counter-terrorism-financing regulator. AUSTRAC's supervisory work goes towards protecting the integrity of the financial system and helping businesses remain resilient to money laundering. I commend the amendment to the House.

Mr KEENAN (Stirling) (17:21): I am pleased that the government did accept some of the opposition amendments, which improved the recovery of this bill. The opposition remains very ambivalent about this bill as a whole. Essentially we are adding a new layer of bureaucracy on business. It is an important layer of bureaucracy—I am not saying that we should not do it—but we are asking them to conform to this new bureaucracy and then coming to them and saying, 'You must also pay the bills for it.' I think that when you are providing a service directly to business that they require then it of course makes a lot of sense to recoup the cost to the taxpayer. But when you are asking business to just bear a bureaucratic burden on behalf of society—in this case, to combat the financing of terrorism and other illegal activities—then I think it begs the question about whether it is appropriate to get business to pay the bill for that. So we remain ambivalent about this bill, although we do believe that the acceptance of these two amendments makes it better than it was. In particular, the late payment amendment is due to start on 1 July, within a week, and it would have been quite insulting, I think, to run around and charge people late fees when the parliament is only just dealing with this about a week before the bill is supposed to commence. With these comments, the opposition does support the passage of the amended bill.

Question agreed to.

**Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy (Consequential Amendments) Bill 2011**

**Consideration of Senate Message**

Bill returned from the Senate with an amendment.

Ordered that the amendment be considered immediately.

*Senate’s amendment—*

(1)Page 3 (after line 5), after clause 3, insert:

4 Review of operation of AUSTRAC cost recovery levy

(1)The Minister must cause an independent review of the operation of the levy imposed by the *Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy Act 2011* to be undertaken as soon as possible after the second anniversary of the commencement of section 3 of that Act.
(2) The person who undertakes the review must give the Minister a written report of the review within 6 months after the second anniversary of the commencement of section 3 of the Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy Act 2011.

(3) The Minister must cause a copy of the report of the review to be tabled in each House of Parliament within 15 sitting days of receiving it.

(4) A report prepared under subsection (1) must include but is not limited to:

(a) a review of the levy calculation methodology;

(b) consultation with industry participants including small and micro businesses about the impact of the levy and the costs of complying with the Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy Act 2011.

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (17:23): I move:

That the amendment be agreed to.

I refer to my previous comments in relation to that amendment.

Question agreed to.

Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (17:25): I move:

That the amendments be agreed to.

The Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Further Election Commitments and Other Measures) Bill 2011 delivers on three election commitments: firstly, improving family tax benefit advance payment arrangements; secondly, implementing the government's Healthy Start measure to make sure children are healthy, fit and ready to
learn when they start school; and, thirdly, improving the accuracy of child support assessments. This bill was previously passed by this House, but this morning the Senate also passed the bill, along with government amendments. The bill in its amended form is now before the House for its consideration.

The government's amendments withdraw schedule 4 from the original bill. Schedule 4 contains an initiative that, when implemented, will streamline the process of compensation payers notifying Centrelink directly when payments are made by compensation payers and insurers. We have worked constructively through the issues raised by the insurance sector to make sure that this initiative can be implemented as intended. These amendments will allow for some outstanding issues to be finalised with the sector before the measure is reintroduced to the parliament. We remain committed to the initiative. Once implemented it will help ensure that people are paid their correct Centrelink entitlements and avoid debts and overpayments. I commend the bill to the House in its amended form.

Mr ANDREWS (Menzies) (17:27): As the Minister for Families, Housing, Community Services and Indigenous Affairs has indicated, this bill has come back from the Senate with schedule 4 withdrawn. That schedule would have had significant implications for the regulation of insurance and compensation payments and would have thrown Commonwealth law into direct conflict with the laws of the states and territories. Indeed, this was something which I raised in the debate when the bill was in the House previously, and the parliamentary secretary—I do not think the minister was present on that occasion—assured me that the amendments the government was then moving would address the issues that the insurance industry had in relation to the bill. It turns out that those amendments did not address those issues, and that has been disclosed in evidence before the Senate.

Schedule 4 in the form in which it is currently drafted would require that compensation payers advise Centrelink of information on the payment of any compensation under an injury compensation scheme or insurance contract in advance of the payment occurring. The submissions received during the Senate inquiry make it clear that schedule 4 would place a significant administrative and financial burden on insurance companies as well as on government agencies. It is also clear that a burden would also be borne by the wider business community, including small and medium businesses and non-government charity and not-for-profit groups. In their submission to the inquiry, for example, the Allianz company outlined the scope of notifications that would be required under the legislation. According to their submission, some of the payments that would be required to be reported included past economic loss, future economic loss, gratuitous care, general damages, compensation for relatives, funeral expenses, and medical and related expenses. Were schedule 4 passed in its current form it would cause financial hardship to those recipients of injury compensation, including their families. Under the provisions of the bill it is not only individual Centrelink payments that would be affected but also those such as carer and family payments. As a result, the impact extends beyond any one person. Of particular concern to the coalition was the potential cost to industry if the legislation in its current form were to be enacted. According to one submission to the Senate inquiry, the cost would be tens of millions of dollars. Indeed, Allianz submitted:

The administrative and financial burdens on workers compensation payers if this were the case would be significant, amounting to over $100
million per annum just in the wage costs of additional staff that would be required to meet the Bill's proposed notification requirements.

Also of concern was the time impact on the organisation, as Allianz further submitted:

If it took 15 minutes to complete the notification for each payment, the estimated number of hours required to provide such notifications in relation to workers compensation payments alone would be 5.35 million hours.

I note that the Commonwealth's own insurer, Comcare, in evidence to the Senate raised similar concerns in relation to the unworkability, in effect, and the enormous expense that the schedule in its current form would have imposed upon insurers and therefore upon the community generally. So the coalition is pleased that the government has noted these concerns and has decided to split schedule 4 from the bill. We look forward to the way in which, I presume, the minister will look at these concerns that the insurance industry has raised, and we will look at the detail of any further proposal that comes before the parliament.

Question agreed to.

Higher Education Support Amendment (No. 1) Bill 2011

Report from Main Committee

Bill returned from Main Committee without amendment; certified copy of bill presented.

Ordered that this bill be considered immediately.

Bill agreed to.

Third Reading

Mr GARRETT: by leave—I move:
That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Indigenous Education (Targeted Assistance) Amendment Bill 2011

Protection of the Sea (Prevention of Pollution from Ships) Amendment (Oil Transfers) Bill 2011

Reference to Main Committee

Mr GARRETT: by leave—At the request of the Chief Government Whip, I move:
That the bills be referred to the Main Committee for further consideration.

Question agreed to.

COMMITTEES

Economics Committee

Report

Mr CRAIG THOMSON (Dobell)

On behalf of the House of Representatives Standing Committee on Economics, I present the committee's report entitled Advisory report on the Competition and Consumer (Price Signalling) Amendment Bill 2010 and the Competition and Consumer Amendment Bill (No. 1) 2011, incorporating a dissenting report, together with the minutes of the proceedings.

In accordance with standing order 39(f) the report was made a parliamentary paper.

Mr CRAIG THOMSON: by leave—In this inquiry, the committee conducted the rare task of comparing two bills that have the same purpose, in this case to control price signalling in Australian markets.

In November 2010, the member for Dunkley introduced a bill to this effect and the Treasurer introduced a government bill in March 2011. The government bill followed a consultation process, including an exposure draft in December 2010.

Although the bills have similar aims, they take different approaches. The member for Dunkley's bill only applies to the
communication of price related information to a competitor, for the purpose of encouraging the competitor to vary their price, and where the communication has the effect of substantially lessening competition. This bill applies to the economy generally.

The Treasurer's bill creates two prohibitions. The first is where a firm privately communicates price related information to a competitor. This is described as a per se offence because the conduct of itself is so unredeeming that no further elements are required for liability. The second prohibition is where a firm generally communicates information relating to price, business strategy, or its capacity, and does so with the purpose of substantially lessening competition.

The Treasurer's bill applies to sectors of the economy stipulated in regulations. The Treasurer has committed to applying the bill initially to the banking sector and conducting a review before extending it further.

It is immediately apparent that the Treasurer's bill would have a stronger effect and this is the reason why the majority of the committee is supporting it over the member for Dunkley's bill. The committee's conclusion is consistent with evidence provided by the competition regulator, the Australian Competition and Consumer Commission. It stated that elements of the member for Dunkley's bill would mean that it would be of little practical use to the commission in controlling price signalling.

I would like to thank those organisations and individuals that assisted the committee during the inquiry through submissions or participating in the hearing in Canberra. I also thank my colleagues on the committee for their contribution to the report, including the member for Dunkley, who joined the committee as a supplementary member for the inquiry. I would also like to again place on record my thanks to the secretariat, who, under an increased workload, have again been of magnificent assistance in producing this report. Again I would like to place on record the need to make sure that these committees are adequately resourced. There is a different workload that we have in this parliament from the one before, and they are operating under very trying circumstances. That does need to be recognised; otherwise the work of these committees will not be able to go on.

Mr BILLSON (Dunkley) (17:37): by leave—The report of the Standing Committee on Economics, which has just been presented, does in fact include recommendations from the majority of the committee members, as the chairman indicated. It is important to note that the majority was on the casting vote of the chairman, so it was a bit of a closely run thing as two bills, differently crafted but seeking to achieve the same objectives, were being considered by the committee.

It is important to recognise that the truncated consultation and examination of the government bill, the Competition and Consumer Amendment Bill (No. 1) 2011, caused great concern for the non-government members. The member for Dobell has described the process that gave rise to the two bills being before the committee and, with some enthusiasm, how the government and the committee sought to examine the private member's bill that I produced. If only that same vigour and enthusiasm, and period of examination and scrutiny, had been available to be applied to the government's bill—alas, it was not. It was an incredibly truncated and, I think, somewhat unsatisfactory process for looking at the government's bill.

There is a dissenting report, and on behalf of my non-government colleagues I will
speak to it very briefly. It has a different recommendation, as you would imagine, from the government members’ report. The government members’ report recommends that the Treasurer’s bill be adopted and the private member’s bill I prepared be rejected. It is quite remarkable, though, that the body of the report shows that there was really very little independent evidence and considered justification presented to the committee, or relied upon in the committee’s report, to enable it to arrive at an unequivocal recommendation such as has been outlined in the report by government members.

What is clear is that best practice regulation has not been engaged in in the development of the government’s bill. The regulatory impact statement exercise was characterised by some competition law experts as an exercise in self-justification. In my view, that was subsequently reinforced by the appearance of Treasury at our one-day hearing—a one-day hearing at a time when only my private member's bill was available. At that stage, when that hearing was being conducted, we had only an exposure draft of the government’s bill. Even yesterday, we received from Treasury some answers that were not terribly illuminating.

This process has not really seen the government bathe itself in glory, when it comes to the addressing the price signalling gap in Australia’s competition law. For some years the government ignored calls by the ACCC to address this deficiency and the ACCC’s inability to investigate concerns about potentially anticompetitive practices. The existence of this competition law gap has featured in a number of ACCC reports over the years of the Rudd and Gillard government, including reports dealing with petrol retailing. The absence of that power influenced merger and acquisition approvals by the ACCC. It emerged as a concern in relation to banking competition and even attracted the urgings of the OECD to get on with it, without that organisation bringing forward anything practical to help in that task.

So this has had a long history, as Brent Fisse, a leading Sydney based competition lawyer, characterised in an opinion piece. He was quite right and accurate in saying:

There are no simple solutions. Distinguishing between oligopolistic interdependence and unjustified coordination of market activity by competitors is the toughest challenge in competition law.

I think that assessment is absolutely right, and may explain why it took the coalition’s private member’s bill to lead the way and prompt the government to bring forward its own bill. But that complexity is exactly the reason why careful examination of these bills is justified. The bills need to be guided by sound economic policy and competition principles, as I think the coalition's bill was. We need to be mindful that price signalling can have both a positive and a negative effect on competition and on consumers or may have no effect at all. That needs to shape the way in which the law is crafted, and then that law needs to be embedded in known and understood Australian competition law concepts. You have to be careful not to overreach or to invite unintended consequences that might well be detrimental to the economic wellbeing of Australia and its citizens.

We have seen through this truncated inquiry, and captured in the report that was tabled today, a very divergent view of the action we should take. What worries me, though, is that we started at a point of shared purpose. There was a genuine shared purpose about the need to tackle anticompetitive price signalling. The government and the coalition then took divergent paths, and I am concerned to reflect that the process through which the committee operated has only made
that divergent pathway even more divisive. I think it has produced defective legislation from the Treasurer. The government has not availed itself of the considerable technical expertise that was available to the committee through its submissions and has not had a genuine opportunity to examine the recommendations for amendments or even some conceptual changes that came forward in what were very high quality submissions. This has damaged the quality of the bill that the parliament will be asked to consider and in fact diminished the committee process. This is not a satisfactory way in which the committee should examine these bills of such moment.

I am concerned at the result of this process. The Law Council of Australia trade practices committee chairman, Stephen Ridgeway, captured this in a comment attributed to him. The Australian Financial Review of 23 May states:

…it was the shortest consultation period he had ever seen and the time permitted for feedback was "manifestly inadequate".

That captures what I feel is a disrespectful disposition to the quality of the submissions that were provided, a disinterest in the expertise that they made available and, frankly, a dishonourable use of the committee process, when so much more could have been achieved in a cooperative and collaborative way.

I understand that the bills will be brought on with some haste, perhaps even tomorrow. Even though the committee recommendation is simply to pass the bill, I understand that the government will be bringing forward some amendments, in my view underlining the point that there is ample opportunity for improvement. All this remarkable truncated period and poor process has done is prove the point that this is too important an area of policy to have the government adopt a 'mine's bigger and tougher than yours' attitude, purely because the coalition's bill led the way in this area. This is not an area where the Treasurer should exercise what he thinks is his political heavyweight credentials while everyone looks at this outcome and thinks, 'This is economic policy lightweight work.' I think we can do better; I wish we had had the opportunity to do so and I hope the parliament carefully considers the report before it, including a shopping list of areas of deficiencies and flaws in the government's bill, which I fear the government will try and jackboot through this parliament after kicking to the kerb a process that could have offered so much more.

**BILLS**

Military Justice (Interim Measures) Amendment Bill 2011

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

(Quorum formed)

Mr PERRETT (Moreton) (17:46): I urge all members in the chamber to stay, because this will be a fantastic speech about my support for the Military Justice (Interim Measures) Amendment Bill 2011! This bill ensures that Australia's military justice system remains in operation while the government works to establish the Military Court of Australia. The appointments of the Chief Judge Advocate and the two full-time judge advocates are due to expire in September 2011. This bill extends those appointments to ensure Australia's military discipline system remains in place.

As I am sure the chamber knows, our military discipline system covers a range of issues that might impact on our soldiers, sailors and air men and women. Because of the parliamentary placement program and our job as parliamentarians, we do know that
those who don the green, the white or the blue are definitely a special breed of people. I note the member for Ryan, who is in the chamber tonight, has family who have done just that. For people who do don the green, the white or the blue, words like 'honour', 'courage' and 'service' are not words that are just trotted out in speeches on Anzac Day; they are not esoteric concepts. These are actually ways that they use to live their lives every single day.

Obviously, surrounding that are the laws of war and the laws for preparing for war. The primary aim of the law of conflict, also known as international humanitarian law, is to protect the victims of armed conflict and to regulate the conduct of hostilities based on a balance between military necessity and humanity. At the heart of the law of armed conflict lies the principle of distinction between the armed forces who conduct the hostilities on our behalf, or on behalf of the parties to an armed conflict, and civilians, who are presumed not to directly participate in hostilities and must be protected against the dangers arising from military operations. Under these international humanitarian laws the concept of direct participation in hostilities, which refers to conduct which is carried out by civilians, suspends their protection against the dangers arising from military operations. Most notably, for the duration of their direct participation in hostilities, civilians may be directly attacked, unfortunately, as if they were combatants in those particular circumstances.

Throughout history humankind has, unfortunately, continually resorted to force to resolve its conflicts. Although there has been a rise in diplomacy over the last 200 or so years, unfortunately we still have conflicts—not as much conflict in the last 20 or 30 years as in the horrific 40 years before, but nevertheless there are still trouble spots around the world. International humanitarian law developed within the limitations on the use of force in an attempt to minimise the horror, particularly in response to the conflict of World War II, where we saw so many civilians die—particularly the Russians, but throughout the world. The doctrine of proportionality requires a response of force to be proportionate to the aggression that precipitated such force. This doctrine accepts wartime civilian casualties as unfortunately inevitable, but the doctrine of proportionality requires that civilian casualties inflicted by military strikes not be excessive in relation to the anticipated military advantage gained by the strike. The rules of engagement are specific to the conditions of a particular area of operations, and the actual text of any set of rules of engagement is classified and therefore not publicly available. For instance, if members or senators are overseas on a parliamentary placement program, unfortunately, unless you have the right military classification, you are not able to see the rules of engagement. Soldiers often keep these on a card inside their jackets, because obviously it could be a problem if those they were fighting against knew the rules of engagement. We do not want the force we are up against to know what the ADF personnel can and cannot do. So the rules of engagement are always classified. Consequently, I was quite surprised to see late last year much commentary in the media about the rules of engagement for our Australian soldiers in Afghanistan. According to the commentary I heard about and read, Alan Jones must have somehow been privy to the military rules of engagement for our soldiers in Afghanistan.

The role of the independent Director of Military Prosecutions came about through recommendations arising from a series of committee inquiries in this particular building, many of which were graveley concerned that military justice was not
delivering impartial, rigorous and fair outcomes for members of the ADF. We ask much of our ADF personnel, but the High Court said that we cannot ask them to forgo access to justice. That is obviously a call that this House respects. That is why last year I was very shocked to hear an exchange between the shock jock Mr Alan Jones and the Leader of the Opposition, the Hon. Tony Abbott, where they cast aspersions over the Director of Military Prosecutions and her role in the case against the soldiers who were facing manslaughter charges as a result of an operation that unfortunately killed six civilians in Oruzgan province in Afghanistan.

Just to be clear, at Senate estimates hearings Air Chief Marshal Houston, a man who is very well respected by both sides of this House, said that the soldiers were fully entitled to the presumption of innocence and that the Army had gone to unprecedented lengths to support the soldiers and to make sure that they were properly treated in the system. But what did the Leader of the Opposition, the Hon. Tony Abbott, and Mr Alan Jones have to say about this arrangement and the support being provided to the soldiers? The Leader of the Opposition told his favourite shock jock, Alan Jones:

… I’m not sure whether we—

that is, if the Liberal Party were the government—

can overturn the decision of an independent prosecutor.

'I am not sure.' That is his statement. 'I am not sure that we can do that.' Thankfully I think there are still people on the opposite side of the chamber who do believe in the separation of powers. Any lawyer worth their salt knows that the separation of powers is a fundamental tenet of the Westminster system. Yet he who would be king, he who would be Prime Minister, then went on to say:

Well, as I said, Alan, I suspect there has been a deep failure by this Government to provide these soldiers with the defence that they are entitled to.

Those are ill-informed comments, baseless comments, dangerous comments on talkback radio. It is cheap populist commentary more befitting a boofhead out in the back bar than the political leader of the Liberal Party. The Hon. Mr Abbott went on to say to his talkback doppelganger:

… because the last thing that people would want to see is soldiers being stabbed in the back by their own Government and I know a lot of people think that’s what’s happening.

Amazing statements, but I am quoting directly. I previously called this statement erroneous in the House. It was then and it remains so now. Yet still—and I do not read the papers religiously every day—I have not seen an apology from the Hon. Tony Abbott, the Leader of the Opposition, about those statements made to the shock jock Alan Jones. In the same radio interview with Mr Jones, who should have known better—I think he was dux of Toowoomba Grammar back in the day, so he is a very smart man; he was a teacher who went on to other things—Mr Abbott then went on to say that he was 'the standard bearer for values and ideals which matter and which are important'. Some standard! Some bearer!

As a standard bearer, the Hon. Tony Abbott might wish to revisit this interview, because it was a particularly galling moment for many people—for many lawyers and for many people involved with the military justice system. I say this as the case against two of the Army reservists charged with manslaughter in Afghanistan will not go to a court martial after a judge advocate actually dismissed the charges. We should all be aware that this outcome was not because of the inappropriate musings of the Leader of
the Opposition on the Alan Jones program. This was the result of the military justice system doing its job, and justice was done, as it will be done for the other soldier who is still experiencing the appropriate scrutiny of our Australian military justice system, and the legislation before the House supports that process. I commend the bill to the House.

Mrs PRENTICE (Ryan) (17:57): We often speak in this chamber about the value we place on our service men and women and the risks they take on our behalf every day of their service. It is therefore of utmost importance that we support our troops in any way that we can. This was apparent in 2007, when both sides of this House supported the establishment of the Australian Military Court. However, as an outcome of the case of Lane v Morrison, it became necessary to change the legislative framework for the court. This occurred back in 2009. At the time, the Minister for Defence said that establishing a correctly constituted military court was of the highest priority for the government. However, two years on, we are no closer to seeing this statement become a reality.

In fact, in May this year, the current Minister for Defence advised that the legislation is still in formulation stage and is unlikely to be resolved by September this year—the original time line put forward by the government. And this is why we are here today, moving an amendment to effectively allow an extension of the time line for the government to implement legislation for which they had set their own timing—legislation they once stated was of the highest priority. If it takes two years to get to formulation stage of legislation for an issue of highest priority, it raises serious questions as to the capacity of this government. This failure to meet their own standards is yet another example of a broken Labor promise, of letting down the very people they should be supporting. We have seen it with home insulation, GroceryWatch, Fuelwatch, the cash-for-clunkers scheme and the green loans program. I am concerned that when an issue is labelled 'high priority' by this government those words may very well be its kiss of death. Who could forget the former Prime Minister's words that an ETS would address 'the greatest moral issue of our time'? We now have no ETS legislation and just another tax to deal with the problem. Of course, it is important that the legislation to establish the court be properly and effectively drafted, but surely the minister could explain to the House why it is that we have this delay.

In the area of the Australian Military Court is simply not good enough. We must support our troops. They must know what is in store for them, and what avenues they have—we cannot continue to leave them in limbo. The uncertainty surrounding this legislation and the uncertainty surrounding an area that affects our servicemen's and servicewomen's lives do not provide them the support that they deserve. This amendment does allow the existing interim arrangements to continue, but the point is that both the government and the coalition acknowledge the need for change. Equally, our servicemen and servicewomen would be well served by the Australian Military Court. This was established after a series of Senate committee reports over a number of years that recommended extensive changes to the military justice system. Those who handle military discipline require a critical understanding of the nature of service—in fact, there are offences, such as going absent without leave, that apply only in a military sense. It is particularly important that the Australian Defence Force be able to deal with discipline and criminal conduct under a military code of conduct, and this is
especially necessary during overseas deployment. This is something with which a regular court would struggle.

Perhaps most importantly, however, is that the nature of military service is unique. The fundamental basis of this legislation is that a military court is about discipline of the defence forces, and that is what the entire Defence Force Discipline Act is designed to ensure. We recognise the unique nature of service—and with that comes a need for unique disciplinary measures. We must aim for world's best practice in all areas within our Defence Force, including that disciplinary system. An Australian military court, operating under world's best practice administration, is a necessary step toward this.

Military discipline is a tough issue. It is sensitive, can be emotional and is difficult for non-military personnel to understand, but it is vitally important to provide certainty and stability to those who serve our country. More than just putting out press releases stating an intention to re-establish the court, as we saw last year, the government must now actually make this happen, genuinely make writing the full legislation for an Australian military court their highest priority. For once this government must actually match the words 'highest priority' with real action, not more excuses for their failure.

Ms Saffin (Page) (18:03): I rise to speak in support of the Military Justice (Interim Measures) Amendment Bill 2011. I understand that it has bipartisan support, but it is a shame that when we have something for which there is bipartisan support we get straight back into the blame game, because if I were to go back to the history of this bill I would be able to talk about the advice that was in a Senate committee report in 2006 whereby that foreign affairs, defence and trade committee concluded with the following comment. I note this was when the court was in the establishment phase under the previous government when it was decided that they would set up a military court and that there was advice at the time that it was at a serious and strong risk of constitutional challenge and would be struck down—and that is what happened. I will quote from that Senate committee report at the time:

Overall, the committee believes that the government settled for the barest minimum reforms required to its service tribunals to escape a constitutional challenge. In so doing, the committee takes the view that, in striving for the minimum, the government has not removed the risk that at some stage the High Court may find that the AMC—

the Australian Military Court—

is constitutionally invalid.

That was pretty clear and there was other advice around at the time and, in fact, the now Attorney-General, in another role at that time in opposition, had also put forward that advice. So I make those comments by way of providing a context for where we find ourselves: inheriting a system that has been struck down as constitutionally invalid, and so we have had to go back and validate the previous system so that actions taken whilst the Australian Military Court set up will be legalised.

As for what this bill is about, it is quite specific to particular areas. It is to provide tenure of up to two years for the Chief Judge Advocate and the judge advocates. It was some time back when I looked at the explanatory memorandum and other documents and there was another trigger. It was up to two years or subject to a determination, whichever one came first. In the material I now have I see it is for two years or until the Minister for Defence declares, by legislative instrument, a
specified day to be a termination day, which is sooner. The appointments are due to expire in September this year; hence we need this bill. I understand that the redrafting of the bill for the Australian Military Court is very close and what this bill also does is make sure that the appointment, remuneration and entitlement arrangements for the Chief Judge Advocate and judge advocates continue. I also understand that when the AMC legislation comes before us we will have a permanent, effective and constitutionally sound system of military justice for Australia's defence forces. That is a good thing because that is what is needed. There is a lot that could be said about this, but I have spoken on this matter once before in this place and outlined my thinking on it and there is no need for me to go through that again. It is really clear that we do need certainty. Once we have the Australian Military Court justice system in place it will be a good thing for all as well as for our soldiers who serve and operate under it. It applies not only in a theatre of war or in a conflict but in a whole range of areas of their service life, and they need to have that certainty. There are a whole lot of things that happen in terms of discipline and disciplinary actions within the Australian defence forces, and a lot of that will continue as well. It was deemed necessary by the defence forces—(Quorum formed) A key provision of this bill is that it amends schedule 3 to the Military Justice (Interim Measures) Act (No. 1) 2009, which contains application and transitional provisions. Importantly, it refers to the commencement day of the application provisions as being the day that the No. 1 act commenced, which was 22 September 2009.

The bill introduces, as I briefly mentioned before, the termination day which is imported into it. Also, clause 2 of schedule 3 deems a person who held office as a chief military judge immediately before the decision in Lane v Morrison to be the Chief Judge Advocate. It is a bill that provides certainty in case it is needed for the tenure and remuneration of the Chief Judge Advocate until we have the final bill before the House. I commend the bill to the House.

Mr MITCHELL (McEwen) (18:12): I rise in support of the government's Military Justice (Interim Measures) Amendment Bill 2011, which will provide for the appointment, remuneration and other entitlements of statutory office holders, namely the Chief Judge Advocate and two judge advocates, each of whom are full-time members of the Australian Defence Force. This bill will ensure that these appointments continue beyond two years, as in schedule 3 of the act, as the current fixed tenure is due to expire in September. These are interim measures for the establishment of a new Australian Military Court. The Minister for Defence and the Attorney-General have directed that further policy work is to be undertaken into the proposed interface between the Military Court of Australia and the residual court martial system.

The amendment will extend the appointments until the Military Court of Australia is introduced and the new model is implemented. The new court will replace the interim measures put in place last year following the High Court's decision in Lane v Morrison, which invalidated the Australian Military Court. In the Lane v Morrison case the High Court determined that Colonel Peter Morrison, a military judge, could not proceed with trying charges against Mr Brian Lane, a former member of the Royal Australian Navy, because the legislation that established the Australian Military Court in which the charges were to be heard was constitutionally invalid.
The High Court found unanimously that the provisions of the Defence Force Discipline Act 1982 establishing the Australian Military Court were invalid because the Military Court purported to exercise the judicial power of the Commonwealth but did not meet the requirements of a chapter III court under the Constitution. Chapter III of the Constitution ensures judicial independence from the executive and the legislature by providing that federal judges have tenure until they reach a fixed age of no more than 70, and that they can only be removed for proved misbehaviour or incapacity following a request from both houses of parliament to the Governor-General.

Following this case, this government has announced it will take the measures necessary to establish and strengthen the Military Court of Australia. It has in the meantime put in place interim arrangements to ensure that our military justice system continues. The Military Justice (Interim Measures) Act (No. 1) 2009 has been introduced to sustain the military justice system. The Military Justice (Interim Measures Amendment) Bill 2011 has been developed to continue these appointments, remuneration and entitlement arrangements for the Chief Judge Advocate and the two full-time judge advocates, each of whom are full-time members of the Australian Defence Force. This legislation will establish a permanent, effective and constitutionally sound system of military justice for Australia's defence forces. Unfortunately, when the coalition set up the Australian Military Court without implementing legislation that aligns with chapter III of the Constitution, it resulted in a ruling in a case in 2009 that the court was unconstitutional. The Labor government has since introduced legislation to establish a fully independent court, the Military Court of Australia.

I want to congratulate the Minister for Defence, Stephen Smith, and the Attorney-General, Robert McClelland, for the hard work they are doing to ensure that our military justice system is strengthened through the establishment of a new bill that will create a military court that is constitutionally fitting. The Gillard Labor government is continuing to keep Australia safe and to strengthen our military and Defence Force systems, in turn countering threats at home and keeping our defence and security forces strong. There can be no greater responsibility for government than the defence of Australia and Australia's interests. The Labor government has ended the decade-long gap in strategic analysis and defence reform to create a smarter, stronger and more adaptable system and an organisation that can defend Australia, our people and our interests. This bill is further proof of the commitment to the ongoing reforms.

In my electorate, I am fortunate to have many of Australia's Defence Force personnel based at Puckapunyal and the Monegeetta Proving Ground Complex, which is why I am so passionate about continuing the support for our defence and military justice system and will wholeheartedly support this bill. A couple of weeks ago at the Puckapunyal Army barracks I attended the dedication of the Australian Defence Force's Puckapunyal memorial chapel. The chapel was completed on 31 January this year and provides a nondenominational facility conducting services and community activities for the soldiers and families within the Puckapunyal community. Sadly, however, it has been used as the venue for a number of memorial services for fallen soldiers. It is an important part of the Tobruk Barracks in Puckapunyal.

I am pleased to have this opportunity to speak on this bill so I can talk about the
The importance of strengthening our military justice system and supporting our Defence Force community, such as that in the heart of my community of Puckapunyal. Our Puckapunyal units play a big role in enhancing Australia's Army capability. The Puckapunyal Military Area is one of the largest training areas for soldiers in Australia and it is a world-class facility that plays a vital role in preparing soldiers for combat, including our troops in Afghanistan. It covers some 44,000 hectares of undulating box ironbark forest and grassland and is one of the Defence Force's most heavily used training facilities. It has had new facilities built and others upgraded.

The Macedon Ranges is the home to the Monegeet Proving Ground Complex in my electorate and it is renowned for its vehicle proving and test capabilities. In November last year I was joined by the Minister for Defence Materiel, Jason Clare, to open the $35 million expansion of the complex. We were given the opportunity to tour and inspect the latest equipment to be used by Australian troops in battle that is put to the test at these new facilities. It is all about making sure that our troops have the right equipment to do their job. As we all know, our troops rely on this equipment in battle. The equipment needs to be battle ready and safe, which is why it is crucial that we test it thoroughly before we put it in their hands.

The Monegeet Proving Ground Complex tests equipment before it is manufactured to ensure it does the job it is supposed to do in the conditions faced by our troops; ensures electrical equipment and power generators and batteries will work in any weather; tests vehicles to measure handling and stability on any terrain; and uses thermal imagery testing to measure how equipment performs at night and in other low-light conditions. Equipment is subjected here to the same kinds of conditions our troops face on operations, including rugged terrain, extreme weather and night operations.

The complex consolidates the two existing test facilities, one at Maribyrnong and the existing facilities at Monegeet, into the state-of-the-art precinct. The $35 million expansion of the Monegeet complex includes all-weather testing chambers, a new enclosed weapons facility and a bigger heavy vibration testing facility. This site was also a fantastic investment for the local economy, with the Gillard government's funding and commitment translating to more than 50 full-time jobs in the Macedon Ranges.

In May 2009, the government released the most comprehensive Defence white paper ever produced by an Australian government. This blueprint will create one of the most flexible and versatile defence forces in the world and deliver around 100 Joint Strike Fighter aircraft, 12 new submarines, eight maritime patrol aircraft, up to seven unmanned maritime surveillance aircraft and eight new Future Frigates. We have also delivered the first Defence capability plan since 2006, which set out over $60 billion of investment in defence equipment.

The government is providing more funding for defence than ever before. We have given a commitment to grow the Defence budget by about three per cent average in real annual growth until 2018, providing long-term planning and certainty for defence. We have provided additional funding for health care, including $83 million for mental health reforms and $62 million for an ADF family healthcare trial. The government has significantly upgraded our cybersecurity capabilities in defence, with the opening of the Cyber Security Operations Centre in the Defence Signals Directorate.
Australia's military justice system underpins discipline and command structures, and it is crucial to operational effectiveness, maintaining command and retaining our people and reputation. It is critically important for the men and women of the ADF that they have access to an effective military justice system. An efficient and fair military justice system is a key foundation for the excellent service discipline that places the ADF amongst the world's best militaries. While we move to a permanent solution for the military justice system that is in line with chapter III of the Constitution, I support this bill and wish it a speedy passage.

Mr STEPHEN SMITH (Perth—Minister for Defence and Deputy Leader of the House) (18:21): I thank the members for Fadden, Moreton, Ryan, Page and McEwen for their contribution to the debate. The background and context to this much needed Military Justice (Interim Measures) Amendment Bill 2011 is that the High Court, in August 2009, found unanimously that the provisions of the Defence Force Discipline Act 1982 establishing the Australian Military Court were invalid because those provisions did not meet the requirements of chapter III of the Constitution. Parliament then enacted the Military Justice (Interim Measures) Act (No. 1) 2009, which reinstated the pre-2007 military justice arrangements. The reinstatement of the pre-2007 military justice system was required to allow time for the consideration and development of options for a new military justice system which would meet the requirements of chapter III of the Constitution.

Regrettably we have not been in a position to progress such legislation in a timely enough manner to avoid the following danger—the danger that the Military Justice (Interim Measures) Act (No.1) 2009, which provides for a tenure of up to two years for the Chief Judge Advocate and the judge advocates, is due to expire in September this year. We cannot guarantee that necessary legislation will be enacted before September this year. As a consequence, this bill seeks to continue the appointment, remuneration and entitlement arrangements for the Chief Judge Advocate and the judge advocates for a further two-year period or until such time as the Minister for Defence declares, by legislative instrument, a specified day to be a termination day, whichever first occurs.

The Attorney-General and I and our respective departments, the Department of Defence and the Attorney-General's Department, are currently working to finalise the details of a Military Court of Australia bill and associated consequential and transitional provisions. It is not expected that the bill will be introduced into parliament in the course of this session; rather, it is expected to be introduced in the next session.

As you would appreciate, I have not had the opportunity to listen in full to the contributions of the members who have contributed to this debate. I think that the substance of their contributions has been firstly to impress upon the parliament and the government the importance of introducing general military justice legislation and, secondly, support for this interim measure, which will continue to keep in place the pre-2007 military justice arrangements. I will inspect Hansard in the usual way. If there are any matters which require response from me, I will correspond with the members directly. I thank members and I thank the House.

Question agreed to.

Bill read a second time.

Third Reading

Mr STEPHEN SMITH: by leave—I move:

That this bill be now read a third time.
Question agreed to.

Bill read a third time.

**Mutual Assistance in Criminal Matters Amendment (Registration of Foreign Proceeds of Crime Orders) Bill 2011**

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr KEENAN (Stirling) (18:25): I rise to speak on the Mutual Assistance in Criminal Matters Amendment (Registration of Foreign Proceeds of Crime Orders) Bill 2011. The coalition supports the purpose of this bill, which is to address potential constitutional issues with Australia's current legislative framework for registering proceeds of crime orders. We support the aim of the amendments, which is to ensure that the framework for providing assistance to foreign countries, international tribunals and the International Criminal Court in registering proceeds of crime orders issued by them continues to operate as intended.

It is no secret that the whole purpose of organised crime is to generate profit. It has been estimated that organised crime costs the Australian community approximately $15 billion a year, according to figures from the Australian Crime Commission. The coalition has a strong history of targeting serious and organised crime and continues to place priority on the ACC as a crime-fighting body. At the federal level, the former Howard government established the Australian Crime Commission in 2002. Through the ACC, state and federal police work together to investigate serious and organised crime.

However, since coming to power, Labor have cut the funding to the ACC and have reduced its staff over the years. In their latest budget, brought down in May, they are axing another 23 staff from the ACC. The Gillard Labor government have also axed a further 90 staff from the Australian Customs and Border Protection Service on top of the 250 cut in the previous year's budget. Customs plays an integral role in stopping the importation of illicit goods smuggled into the country by organised criminal syndicates through our ports and airports. In the latest budget, Customs revealed that the number of reported consignments of air and sea cargo has gone up significantly and that that number is forecast to go up even further over the next four years. Despite this, Labor have not increased the amount of air and sea cargo that is inspected or examined, which means even less cargo will be properly checked under their new, pared down regime.

In the 2009-10 budget, Labor cut the budget for Customs cargo screening by a staggering $58.1 million. Labor's cut resulted in a reduction of 75 per cent in air cargo inspections—that is, 75 per cent less air cargo is being inspected when it comes into the country. In the recent Customs annual report, it was revealed that only 4.3 per cent of sea cargo is X-rayed and only 0.6 per cent of sea cargo is physically examined. Even less cargo will be inspected and examined now that there is an increase in the volume of cargo coming into the country. So we have a significant increase in the volume of cargo coming in through both our seaports and airports, yet the government is continually slashing funding—the end result being that so much less of that cargo is actually being examined for contraband, whether that be precursors for drugs, drugs themselves, illegal weapons or other things we would like to keep out of the country. Clearly the government is not doing all it can to combat organised crime when it has been so lax and so disastrous for our border protection regime in so many ways.
By reducing the amount of cargo that is checked, Labor are making our airports and ports significantly more vulnerable to organised criminal syndicates, who are taking advantage of the lax conditions to smuggle in drugs, weapons or other contraband. Labor have also weakened our national security by cutting funding for Australia's premier crime-fighting agency, the Australian Federal Police. They have cut AFP staff numbers at a time when the AFP are stretched beyond capacity and under unprecedented pressure to respond to the chaos within our immigration detention network. These diversions from the core crime-fighting tasks, caused by Labor's mismanagement of our borders, only serve to give organised crime a helping hand. Working together with appropriate resources, the Australian Federal Police, Customs and the Australian Crime Commission would have been the weapon of choice against serious and organised crime in Australia. Labor's budget cuts in this area are a slap in the face for our law enforcement agencies and the Australian public, who these agencies are tasked to protect. The coalition believes our key law enforcement agencies need to be appropriately resourced in order to stop organised criminals from growing their business.

It should be acknowledged that the Commonwealth Proceeds of Crime Act 2002 was introduced and passed under the former coalition government. The act provides a scheme to trace, restrain and confiscate the proceeds of crime against Commonwealth law. The act allows in some circumstances for it to be used to confiscate the proceeds of crime against foreign law or the proceeds of crime against state law. The act also permits confiscated funds to be given back to the Australian community in an effort to prevent and reduce the harmful effects of crime in Australia. The act was the result of a review which found that the inclusion of civil forfeiture at the federal level would vastly extend the capacity to recover funds from breaches of federal law. The coalition supports the strategy of being able to confiscate assets and profits which are the result of crimes committed overseas.

Australia has a well-developed system for cooperating with foreign countries and restraining and confiscating benefits derived from foreign criminal offences where those assets are located within Australia. Part VI of the Mutual Assistance in Criminal Matters Act 1987 enables an Australian court to register and enforce orders raised by a foreign court. These foreign orders comprise restraining, confiscation and pecuniary penalty orders over property derived from serious criminal offences. Once a foreign order is registered in Australia it is able to be enforced as though it were an Australian order made under the Proceeds of Crime Act. Provisions in the International Criminal Court Act 2002 and the International War Crimes Tribunals Act 1985 expand upon the regime in the Mutual Assistance Act and allow an Australian court to register and impose forfeiture orders issued by the International Criminal Court and designated international war crimes tribunals.

The High Court in the case of International Finance Trust Co. Ltd v New South Wales Crimes Commission 2009 found provisions in New South Wales legislation which allowed for the making of a restraining order ex parte were constitutionally invalid because they infringed the constitutional integrity of the New South Wales Supreme Court in a way that was inconsistent with its status as a chapter III court under the Constitution. The court had no discretion whether to hear from a person affected by the order and there was no statutory provision available which allowed the person affected to challenge the making
of the order. In particular, the decision reinforced that courts must be authorised to exercise control over the making or enforcement of proceeds of crime orders.

As noted in this bill's explanatory memorandum, the amendments aim to ensure the legislative arrangement providing a court with the power to register and enforce foreign orders continues to function as intended. This bill will make minor but important amendments to the Mutual Assistance Act, the International Criminal Court Act and the International War Crimes Tribunals Act. The amendments will allow a court greater discretion when deciding whether a foreign order should be registered and enforced in Australia and whether or not to hear an application for registration on an ex parte basis. The amended provisions will necessitate a court to register a foreign order unless it considers that it would be contrary to the interests of justice do so. In deciding whether registration of a foreign order is in the interests of justice, the court is to give due regard to the primary intention of the system.

The bill will also insert an object clause into subdivision A of part VI of the Mutual Assistance Act in order to clarify the intention of the system. The purpose of this subdivision is to allow Australia to give effect to foreign orders in circumstances where a property related to serious foreign offences is located within Australia. The amendments aim to bolster reciprocity as the basis of international crime cooperation. It aims to ensure Australia is able to provide the same level of assistance to other countries as we would expect from them.

I turn to a very serious proceeds of crime matter that I believe the government needs to take action on, and that is the proceeds of crime that might accrue to Mr David Hicks as a result of the publication of his book *Guantanamo: My Journey*. This issue has been raised in the Senate by my colleague Senator Brandis, and he and I, and I suspect all of the opposition, would urge the government to undertake appropriate action to ensure that Mr Hicks does not make a substantial financial gain specifically out of the crimes that he himself has admitted that he committed. This is somebody who has admitted that he consorted with Lashkar-e-Taiba, which is a diabolically bad terrorist group responsible for killing literally hundreds of people, and killing two Australians. Now this man is going to perhaps earn up to $350,000, by some conservative estimates, based on those crimes—crimes which, I again remind the House, he has pleaded guilty to.

Senator Brandis has been particularly persistent in pursuing the government over this matter. As far as the opposition is concerned, it should be very straightforward—Mr Hicks has admitted his crimes and he should not be able to profit from them. I asked the Attorney questions about this in the House last week, and all he would say was that he has commenced an investigation into the applicability of the legislation to Mr Hicks's publication that details his support of and participation in a terrorist organisation.

Part 2-5 of the Proceeds of Crime Act provides for the making of a literary proceeds order where a person has committed an indictable offence against either Australian or foreign law and the court is satisfied that the person has derived literary proceeds in relation to the offence. The offence to which Mr Hicks pleaded guilty under the Military Commissions Act clearly falls within a definition of a foreign indictable offence under the Proceeds of Crime Act. It is symptomatic of this government that they would sit on their hands and not take more sensible action.
against Mr Hicks in what is clearly an open and shut case of somebody standing to profit very significantly from his crime. In the case of Mr Hicks, of course, the crimes for which he has pleaded guilty are incredibly serious. Indeed, it is very difficult to believe that there are many crimes worse than consorting with terrorists, particularly really vicious terrorists such as Lashkar-e-Taiba. So I urge the government to finally take some action on this matter and not let it stand that any Australian citizen could profit from their criminal activity.

The coalition support the passage of the Mutual Assistance in Criminal Matters Amendment (Registration of Foreign Proceeds of Crime Orders) Bill 2011. We always support measures that ensure Australia is not seen as a safe haven for criminals and that limit the ability of criminals to profit from their crimes. I commend the bill to the House.

**Mr HAYES** (Fowler—Government Whip) (18:37): I also rise today to support the Mutual Assistance in Criminal Matters Amendment (Registration of Foreign Proceeds of Crime Orders) Bill 2011. On the face of it, the bill may be seen by some to be a minor amendment, but it is an amendment that has enormous implications for clarifying the process of foreign orders and it provides a mechanism by which we can strengthen our fight against international crime.

Australia has always been dedicated to its international obligations, and that includes cooperation with other nations when it comes to criminal matters. I have often spoken in the House about how crime knows no boundaries. When we have discussions about police and law and order is a folly for us to talk about state or territory policing, because the truth is that none of the criminals out there read the Constitution or look at the geography when they seek to participate in criminal endeavours. They look for loopholes and opportunities, and the same applies when we are looking at international crime.

One thing that always sticks in my mind, and it is refreshing to hear it from a lot of the younger people in law enforcement these days, is that it is about not only catching the crook but also putting these people out of business. I am often attracted to comments about how we have to look at criminal activity as a business. It is no doubt a nefarious business, but it is still a business with a profit motive and we need to do all we can to put those businesses out of business. This bill goes to the heart of that.

In my time acting for various police organisations, and more recently in my dealings with the Australian Crime Commission and the Australian Federal Police as a parliamentarian, I have learned that the proceeds of crime invested in Australia are not necessarily from crimes that were committed in Australia. Not all that long ago I had the opportunity as part of a parliamentary delegation to visit a number of countries to discuss the contemporary efforts being deployed against serious and organised crime by leading law enforcement agencies. I was looking at one of the reports we wrote where we quoted from the head of the Italian national police, Mr Rafael Grassi. He highlighted to our committee the importance of going after the money and depriving criminal groups of their assets. As a member of the Italian national police, he was very much at the forefront in the fight against the Mafia. He indicated to us that Mafia members are prepared to spend time in prison and conduct further criminal activity outside prison, but what really harms them is going after their assets. Essentially, that is what we are trying to do through this legislation. We are trying to make it more
conspicuous and to make it easier for the Australian courts to assist in the process.

Wherever crime occurs it is obviously detrimental to a community. If criminal assets are being invested in Australian businesses it is detrimental to this country. Every individual has the right to have their property protected. It is the responsibility of our government to ensure that our police have the resources they need and the legislative support they require to do their jobs and achieve the objective of putting criminals out of business. This bill indicates that we will not tolerate criminal activity and we will use every opportunity to make it more onerous to pursue criminal endeavours, even if they are investing those moneys abroad.

Since ratifying both the United Nations Convention against Transnational Organized Crime and its protocols in 2004 and the United Nations Convention against Corruption in 2005, this country has worked to develop a comprehensive and transparent framework to ensure the seizure and confiscation of assets held as a result of criminal activities. A foreign proceeds of crime order is an order that restrains or confiscates the proceeds or instruments of a foreign offence, or orders a person to pay a certain amount equivalent to the benefits they have derived from a criminal activity, as determined by a foreign jurisdiction.

The confiscation of assets held as a result of criminal activity achieves two objectives. Firstly, it deprives the criminal of the benefits of their crime—the profits of their business, if I can put it that way. In doing so, it reduces the motivation for engaging in a criminal endeavour, because they know at some stage they may have all of their so-called hard-earned cash taken away from them. So the objective is to reduce the motivation for engaging in criminal activity by essentially attacking the business model underpinning criminal endeavours. The second and no less important aspect is that it removes assets that would ordinarily be available to be reinvested into other criminal endeavours. That is also significantly attractive and a laudable objective.

One thing we have learnt is about the amount of criminal activity occurring in Afghanistan. Whilst Afghanistan has the vast majority of the world opiate trade—somewhere about 97 per cent, I think—we know that it is finding its way to not just the criminals who underpin that trade, Colombians and others; it is also supporting terrorism. There is a clear link in respect of that, as Antonio Costa made clear to me when we visited him at UNODC, the United Nations Office on Drugs and Crime. They are certainly single-minded on the fact that foreign countries must be cooperating to the maximum to ensure that the proceeds of criminal endeavour are confiscated and not allowed to be kept in one foreign country in some form of safe haven.

I know there are countries that do accept investments provided that it cannot be proved that the investment was derived from a criminal activity. We need to be far more proactive than that. We are not going to be silenced on receiving foreign benefits from crime and using this country as a safe haven so it can be reinvested or simply transferred back to other criminal organisations. Australia must be on the front foot doing what it should be doing as part of its obligations in the international law enforcement community and doing everything possible to shut down serious and organised crime.

The Australian Institute of Criminology has stated that by confiscating stolen assets we are helping to combat international money laundering, particularly money
laundring to finance international terrorism. This legislation is not just another technical amendment proceeding through this place; this is something that has very serious ramifications. Like all aspects of business, crime is constantly changing. We need to ensure that our laws meet the challenge of criminal enterprises thinking it is a feasible objective to operate in this country, whether directly in criminal activity or by investing their proceeds of crime in this country.

In the wake of the issues raised by the High Court in the International Finance Trust Company Ltd v New South Wales Crime Commission in 2009, these amendments must be made to the Mutual Assistance in Criminal Matters Act 1987, the International Criminal Court Act 2002 and the International War Crimes Tribunal Act 1995 to ensure greater success in the prosecution of international criminals. In this case, the High Court found a New South Wales scheme that required a judge to determine and hear an ex parte application for a restraining order which was unconstitutional. That is why we need to act to bring in these supportive amendments. This case in New South Wales highlighted the fundamental importance of ensuring that the functions and powers imposed on our judges by legislation do not conflict with the integrity of the functions provided for under chapter III of the Constitution. Under the current structure, the courts have no discretion as to whether to hear from a person affected by an order. There is also no statutory provision available to allow for the person affected by the order to have the challenge reviewed. This amendment ensures that the general framework of providing assistance to foreign countries, international tribunals and international criminal courts in registering proceeds of crime orders issued by them continues to operate as intended in this country.

The changes to the mutual assistance act will give judges discretionary power to refuse to register a foreign order if it is in conflict with the interests of justice to do so and allows them to refuse to hear an application for the registration on an ex parte basis. By articulating the overarching purpose of subdivision A, this amendment also provides assistance to judicial authorities in their interpretation of these provisions, which provide a comprehensive scheme for facilitating international cooperation in the registration and enforcement of foreign orders in Australia. As it stands, without this amendment there is a standstill in the processing of many criminal cases which involve property to the value of many hundreds of millions of dollars in this country. One such example involves the United Kingdom authorities. Despite their request for the registration of orders from the proceeds of pension fraud and share fraud to the value of tens of millions of dollars, under the current legislation and the decision of the High Court, Australia has not yet been able to proceed on these requests. Without the passage of this bill, there will likely be further delays in the registering of foreign orders. As a result of this loophole in our system there is already a risk that these assets will be moved offshore. They will be moved offshore as proceeds of crime to reward those who undertake criminal endeavours and, more importantly, will be available to be reinvested in future criminal activity.

For too long criminals have been under the impression that, if they hide their assets abroad, they will escape the notice of the authorities. This amendment bill makes it abundantly clear that no criminal act will be tolerated and that law enforcement is not limited to the bounds of any one nation. It lets the criminals know that Australia
unequivocally supports the foreign courts when it comes to confiscation, restraining and pecuniary orders of stolen assets. I am very proud to support this amendment bill and I commend it to the House.

Mr IRONS (Swan) (18:53): I rise in support of the Mutual Assistance in Criminal Matters Amendment (Registration of Foreign Proceeds of Crime Orders) Bill 2011. It is always a pleasure to follow the former member for Werriwa and current member for Fowler. It is interesting to note that the three speakers from the coalition side are all from Western Australia, the engine room of our economy at present. All crime is abhorrent, from graffiti and antisocial behaviour through to more serious assaults and the taking of lives. Crime is perpetrated by people in the community who do not want to live by or respect the standards that have been set to maintain law, order and peace in our society. However, there is something deeply disturbing and concerning about organised crime, which can spread quickly and undetected without tough policies and the resolve to tackle it. If left unchecked it can rapidly undermine the rule of law and break down societies. You do not have to look too far to see troubling examples around the world.

Organised crime costs nations financially as well as socially. The Australian Crime Commission puts the cost of organised crime to Australia at between $10 billion and $15 billion every year—a staggering amount of money that suggests this is an issue which government needs to tackle. The Constitution gives the federal parliament some degree of responsibility to take the fight to organised crime, and it is the federal government that must be held to account for action in this area.

When we talk about organised crime we are talking about a range of offences that include activities as varied as identity crime, environmental crime and fraud. People smuggling is of course classified as organised crime, and the coalition has spoken about this on many occasions before. Stopping the people-smuggling business is a major priority for the coalition. We stopped the boats before and have the record to prove it. Yet the Labor government takes a different approach—boat after boat, policy mess after policy mess. The Minister for Justice in his second reading speech stated: In an age where borders are increasingly permeable, effective and efficient international crime cooperation is increasingly important. It does not have to be this way, Minister. The reason that our borders have become increasingly permeable is this government's failed policies. Opening the doors to the people smugglers has led to an inhumane situation where people are risking their lives to come to Australia. Why doesn't this government go back to the policies of the coalition, the policies of the Howard government, which stopped the boats? Why doesn't the Prime Minister pick up the phone to the President of Nauru? The people of my electorate of Swan are rightly concerned at the collapse of our border security and the numerous lives that have been lost at sea under laws that this government has set in its approach to people smuggling. The government stands condemned by both houses of parliament for its ineffective people swap deal with Malaysia.

I now want to discuss a particular type of organised crime that is significant in Western Australia and in my seat of Swan—that is, clandestine laboratories. Clandestine laboratories, or 'clan labs', are used for the manufacture of illicit drugs, in the majority of cases the dangerous methylamphetamine. They can be particularly dangerous facilities and are often run in residential areas. The Australian Crime Commission reports that
more and more clandestine labs are being detected across the country, but the largest shift in detection numbers has occurred in Western Australia, from 30 labs in 2007-08 to 78 in 2008-09—a reported increase of 160 per cent.

Western Australians have been noticing this trend with some alarm, thanks to several high-profile incidents that have occurred over the last few months. Members may be aware that on 20 March WA was shocked to learn that a high-profile policeman’s son was involved in a drug lab blast in Bishopsgate Street in Carlisle, in my electorate of Swan. One of the dangers of drug labs is explosions and fires caused by highly reactive chemicals, and that is why it is so important that they are eliminated from our suburbs. Just a few days ago there was another high-profile incident where the man arrested over the death of a grandfather in a road accident in Gosnells was discovered to be operating a drug lab. One of my constituents reported a suspected clandestine drug lab to me at one of my recent mobile offices. I subsequently reported this to the police and the Minister for Police, and the premises were raided a few days later.

I appreciate that some action has been being taken at a national level to better coordinate action against clandestine laboratories. The National Organised Crime Response Plan 2010-13 has been agreed to by all states and territories, and Western Australia Police has produced its own Serious Organised Crime Strategy, which is aligned to it. The WA strategy has five aims:

target high-impact crime and influential participants, stifle and disrupt business, undertake joint operations across WA Police with other agencies, restrict opportunities for organised crime groups to use legitimate business enterprises to facilitate criminal activity, and confiscate profits of crime.

The bill we are considering today pertains to the last of these aims, to confiscate the profits of crime. Confiscating the proceeds of crime is important. It is also a means of achieving some compensation for the community. A great example of this is the funding round run by the Liberal-National state government on the proceeds of crime. In May a total of $150,000 was provided for a new south-east train line patrol to be operated by the Nyoongar Patrol System and $199,836 has been allocated to the trustee of the Save the Children Australia fund to address the presentation of vulnerable young people aged eight to 15 in Northbridge and the suburbs serviced by the Perth-Armadale train line. Both projects have been funded under the Criminal Property Confiscation Grants Program and, because of reforms made to the program under the Liberal-National state government, the recipient organisations will be contributing additional funds, at least 50 per cent of the total project, in cash or through in-kind services. The Thornlie-Armadale Train line is consistently reported to be the most dangerous line in Perth, and as members would be aware I have been campaigning for measures to address this. Whilst the CCTV network in Perth is extensive, people wanted to see security and foot patrols on the ground. This funding is a step in the right direction and will help address the problem of gangs of youths hanging around stations causing trouble and committing crimes. It demonstrates the cost to society of organised crime and is a great example of how the proceeds of crime, in this case those seized by the police and the Director of Criminal Prosecutions, can be redirected to benefit the public.

Debate interrupted.
ADJOURNMENT

The DEPUTY SPEAKER (Hon. BC Scott): Order! It being 7 pm I propose the question:

That the House do now adjourn.

Foreign Investment

Mr SCHULTZ (Hume) (19:00): I am a proud rural Australian. I am proud that the majority of mainstream Australians still hold dear all that previous generations have fought and died to protect; such as our national sovereignty, freedom of speech, and a healthy respect for the rule of law.

Recent events in this country have made me question whether this Labor government is capable of protecting the values we hold dear. In fact, considering that the socialist tendencies of our Prime Minister and her willing submission to the Greens Trotskyite agenda are matters of public record, it is hardly surprising that an increasing number of people are reaching this conclusion.

Australians consider any attempt to dilute our inalienable sovereignty as a betrayal. Who or what controls our precious land resources is a matter of national sovereignty and one that this government has blatantly ignored. The failure of this government to generate a comprehensive response to the avalanche of foreign ownership requests to acquire vast slices of our agricultural sector is a national disgrace.

All Australians have a right to be concerned about our nation's food security. The output of our agricultural industry equated to $24.5 billion dollars in 2009-10, of which 60 per cent was generated in the export of produce.

I wish to echo and support the remarks made by the member for Kooyong, who spoke on the matter of food security in a grievance debate on 21 June this year. The member spoke about concern in international circles that a global food shortage was on the horizon. Exacerbating this concern is the predicted explosion in global population from the current 6.9 billion people to nine billion by 2050. It is estimated by the Food and Agriculture Organisation of the United Nations that 925 million people are already struggling for food.

The link between concern about global food shortages and the increase in sovereign wealth funds of foreign countries gobbling up our agriculture sector is undoubtable. If there was a coordinated and reasoned approach to the current rules regarding foreign investment approvals, I would not be so concerned. But the government is simply not standing up for our national interests.

The abandoning of our agriculture sector to foreign interests is only one example of the litany of policy disappointments this government has subjected rural and regional Australia to. We have honey bees exposed to foreign diseases and the apple industry preparing for the worst as apples with fire blight are given the green light to enter Australian borders. Each and every time this government has been faced with making the tough decisions in agriculture, it has taken the easy option or no option at all.

The member for Kooyong referred to the alarming report that Hassad Food, which is owned by the Qatar government, has bought more than 8,000 hectares in Victoria's Western District, on top of a purchase of 2,500 hectares of farming land in Victoria the year before. The member rightly questions the rules around foreign investment, particularly the ill-defined national interest test. It is outrageous that Patrick Colmer, the Executive Member of the Foreign Investment Review Board and senior Treasury official, stated:

The way that the legislation is set up is that the default position is that the investment is allowed to proceed.
This legislation is woefully inadequate in protecting our national interest in food security. The lack of standards is particularly galling when the threshold level for being considered to be a foreign investor in Australia is $231 million, compared with New Zealand, where government consent before a foreign investment can proceed is required if the property exceeds five hectares.

I am greatly encouraged by the efforts of the young, highly intelligent Liberal member for Kooyong to raise the profile of this very important issue in the national debate on behalf of urban, rural and regional Australia. I thank him on behalf of my constituents for bringing this very serious issue to the fore, and I encourage him to do more as he is an inspiration to his fellow Australians because of his dedication and his commitment to his country.

**Mining**

Mr DANBY (Melbourne Ports) (19:05): Last week we saw the extraordinary event of Andrew 'Twiggy' Forrest flying from Perth to Canberra using a private jet registered to Fortescue Metals Group, somehow avoiding the chaos caused by Chile's volcanic ash cloud, which has stranded thousands of Australians across the country. Not only was this an extraordinary arrival by private jet, but Mr Forrest came here to lobby the federal government and our resources minister about the minerals resource rent tax. He claimed he was standing up for the 'little Aussie battler'. Presumably they all have private jets. It was much more like a Wall Street executive complaining about their obscene bonus being reduced to a merely outrageous bonus.

Twiggy came to Canberra to speak of the suffering the government will place on his company. I am greatly indebted to Laura Tingle for her article in the *Australian Financial Review* on 17 June 2011 titled 'Taxpayer Twiggy goes out on a limb'. The draft legislation that was released two weeks ago was the modified tax that Twiggy had insisted Australia should have. On 29 June last year Twiggy outlined the issues that had been negotiated with the government about the tax. Concerns were raised about the 'retrospective nature of the tax by doubling the value of spent capital', 'an immediate write-off for new capital' and 'full transferability of super mining tax liability across projects'. All of these concerns were addressed by the government and are now in the draft legislation. So Twiggy comes here on his private jet to modify a tax that met his concerns. As the Treasurer and the Minister for Resources and Energy, the very capable member for Batman, made clear last week, this is beyond the pale. What is worse is that Twiggy has, according to Laura Tingle, never signed a corporate income tax cheque for any of the listed companies he has run. On *Lateline* last year he said:

> ... I can assure all of Australia this: under this new tax regime Fortescue will pay much less tax.

As Laura Tingle points out, according to this he will be paying less than nothing. So he comes to Canberra to rally against a tax he helped modify to meet his concerns and a tax under which he will be paying less than nothing. Is this confusing?

What is even more confusing is that Twiggy, with the support of those opposite, has remained silent about the decision of the Western Australian government and Liberal Premier Colin Barnett to lift royalties on iron ore fines that will hit his company. Twiggy and the coalition say the money raised from Premier Barnett's iron royalties will fund hospitals and nurses. The stench of partisan politics is all over Mr Twiggy Forrest. What does he think the money raised by this federal government through the minerals resource tax will do?
The hypocrisy of the member for Warringah, the Liberal Party and Mr Forrest is extraordinary. Those opposite do not have a leg to stand on. If they accept that the people of Western Australia have a right to iron ore royalties then how can they deny that the Australian people have a right to those royalties too? Those opposite claim this is to be part of another 'big new tax' but if they can accept that the Liberal Premier of Western Australia can place a big new tax on mining companies, how can they deny the government's scheme? Liberal tax: good. Labor tax: bad. What hypocrisy!

Today we see that Twiggy and Tony Abbott are out on their own rallying against the tax. Aquila Resources chief executive Tony Poli declared today that the mining industry can afford to pay the mining tax. He said:

For mining companies, when they're in production and when commodity prices are high like today, there are very good returns on investments. So it's not unreasonable for mining companies to pay a bit more tax.

This country has a lot to thank the mining industry for: millions of jobs, a strong economy, wonderful people in that sector working all over the country. But as the Minister for Resources and Energy, Martin Ferguson, has said, the mining tax was not designed to suit Twiggy and the multinational miners; it was designed to suit the needs of the Australian community and the nation.

I cannot understand how someone can be involved in modifying a tax then coming over here in his private jet and complaining about it, particularly when his company is in the position of not having paid any tax at all. I am sure that Mr Forrest is an honourable person and pays his personal income tax, but none of his companies have ever paid company tax to the Australian people. Yet he comes over here and complains that this is going to be inflicted upon him, a poor Aussie battler.

The people of Australia are one. It is not that one tax in Western Australia is good and a tax here in Canberra is bad. It is the same standard for all—they are either all good or all bad, all justified or not justified. I really think that the responsible comments of Mr Poli are much more reasonable than those of Mr Forrest. (Time expired)

Valedictory

Mr BRIGGS (Mayo) (19:10): I rise this evening to acknowledge the service of six retiring coalition senators who in the last week have given their valedictory speeches and will finish their terms on 30 June this year. In particular my comments relate to Senator Nick Minchin. The other senators—Barnett, McGauran, Troeth, Trood and Ferguson—we will miss enormously, in particular Senator Trood, from Queensland, who I think we did not get to see the best of in this parliament. He gave a compelling valedictory speech last week.

Senator Ferguson, from my state of South Australia, has been a stalwart of the Liberal Party in South Australia for many years. He gave a tremendous valedictory speech last night. I thought it summed up the man and his service to our party. He has indicated that he will continue his involvement in the South Australian Liberal Party in years to come, particularly in the regional areas where he has done so much fine work over such a long period of time.

I want to spend some time this evening acknowledging Senator Nick Minchin's contribution to this place, to Australia and to the great Liberal Party, and the legacy that he leaves. I have previously made comments in relation to former Prime Minister Howard and former Treasurer Costello, acknowledging their service, and it is only just that I also do so for Senator Minchin,
who was an extremely important part of one of Australia’s best governments.

Senator Minchin was Minister for Finance and Administration for six years and delivered surplus budgets in each of those years. He continues to be someone who stands by his convictions, and there is no greater virtue in public life than in being someone who stands by their convictions, whether they are popular or unpopular. Many of the issues that Senator Minchin has pursued in his long career have not been what you would describe as popular views. He stands proudly by his views, which is compelling about Nick and the way in which he has gone about his career.

The Liberal Party, unfortunately, loses some people too early. I think Nick could have gone on and I wish he had gone on. I am personally very disappointed that I will not get to serve longer in this place with Senator Minchin. He started his career in the Liberal Party here in Canberra in 1977. I think he mentioned June 1977 last night, which coincidentally is the month and year of my birth. That gives an indication of the longstanding commitment Nick has given our party and this place.

Senator Minchin was a state director in South Australia, he was deputy federal director of the party and he was part of the Liberal Party administration that led us to a sensational victory in South Australia in the early nineties. He was also an enormous part of the intellectual fabric of our party in 1996 when we came back to government. He was very closely associated with the leadership of the former member for Mayo, which was an interesting time in Australian politics and a period that I am sure helped develop Senator Minchin’s political antenna. His has one of the great political antennas in this country.

I am indebted to my very good friend Senator Scott Ryan for the description of Senator Minchin he gave last night. He said:

I am not quite Senator Minchin compliant. I am not a monarchist and I do not necessarily share his sympathy for the car industry. But those of us who might describe themselves as free trading, tax-cutting federalists have no greater inspiration.

That is a perfectly reasonable description and so perfectly put by Senator Ryan, and that is how I see Senator Minchin. He has contributed enormously to this party. He has contributed in ways that many people would never understand. I personally owe him a debt of gratitude for the advice he has offered me over a substantial period of time. I have not always agreed and I will not always agree with Nick’s views but on many I do, particularly those outlined by Senator Ryan. I pay tribute to Nick and his five colleagues who are entering retirement by choice or by force.

Disability

Ms ROWLAND (Greenway) (19:15): I rise today to talk about disability, both around the world and closer to home, and to highlight the importance of social inclusion for people with a disability. Recent developments in my electorate and at a global level have reaffirmed my commitment to being an advocate for people with a disability. Recent developments in my electorate and at a global level have reaffirmed my commitment to being an advocate for people with a disability. Yesterday, along with the Minister for Foreign Affairs, who is in the chamber, I had the pleasure of attending the launch of the first-ever *World report on disability*. This report, produced by the World Health Organisation and the World Bank, reveals some very confronting facts about those living with a disability in the world today.

The master of ceremonies for the occasion was Professor Ron McCallum, the 2011 Senior Australian of the Year, former Dean of Law at Sydney University, my former
teacher—and he is totally blind. The report shows that there are over one billion people living with a disability around the world. That is 15 per cent of the world's population—43 million times the population of Australia.

During my time working overseas for many years, especially in South-East Asia, I often thought about the many barriers faced by people with a disability in our region, in both highly developed countries and emerging economies. Sukhamvit Road in Bangkok is difficult enough to cross at any time of the day when you are able bodied, and the scale and volume of commuters in the labyrinths of the Tokyo subway system are exhausting, but what if you were blind? In Beijing, there were many occasions when I could not find lifts at train stations, or any access points other than stairs for popular tourist destinations. As highlighted by the World report on disability and echoed by the Australian Council for International Development's Executive Director, Marc Purcell, our neighbours in South-East Asia have the second highest rate of severe and moderate disability in the world, with the Pacific following close behind.

The report found that there is a direct correlation between poverty and disability. It is a fact that these people have poorer health, lower education achievements, less economic participation and higher rates of poverty than people without disabilities. And, of course, for too many of our near neighbours, disability is the result of war: the landmines of Cambodia and the civil war in Sri Lanka. The barriers faced by people with a disability in our region include inadequate health standards, negative attitudes and lack of accessibility.

Australia, as an affluent nation, has a definite role to play in assisting these people with disability in the developing world. While we do provide aid to countries overseas for the specific purpose of assisting those with disability, we can always do more. Australia's AusAID disability strategy has been praised by the Australian Council for International Development as 'world-leading', but it remains the case that more funding is always necessary. The World report on disability has recommended that specific funding for disability-inclusive programs and for mainstreaming inclusion right across aid programs is absolutely necessary. This is a recommendation I wholeheartedly support.

I now turn to disability initiatives in my electorate of Greenway, specifically the widespread support for a National Disability Insurance Scheme. I commend Ability Options in Seven Hills, in my electorate, which does a fantastic job in supporting people with disability in the areas of lifestyle, accommodation, respite and employment. I also commend the Endeavour Foundation, one of the largest non-government disability service providers in Australia, whose services include accommodation, aged support, employment opportunities and education programs. One of my first engagements after being elected to this privileged place was to present the monthly employee award at Endeavour Foundation Industries in Seven Hills. This is where supported employees fulfil pharmaceutical and veterinarian packaging contracts. Its workers enjoy the dignity of work. Both Ability Options and Endeavour Foundation, and I am sure the vast number of residents in Greenway, realise and support the urgent need for the implementation of a National Disability Insurance Scheme. Many have joined the Every Australian Counts campaign, which I also endorse. Now is the time to build support for the implementation of the NDIS.
In 2009, the Disability Investment Group presented its report *The way forward: a new disability policy framework for Australia*. It described what it called a 'new order' to replace what it called the 'welfare model of disability services' with a 'three-pillar policy': a comprehensive National Disability Insurance Scheme to deliver lifetime care and support for people with severe and profound disability, a strong income support system to enable people who cannot support themselves through work to live in dignity, and a range of measures to facilitate increased private expenditure.

As we await the final report of the Productivity Commission on disability care and support, which is scheduled to be delivered on 31 July, let us all remember that the essential component of disability services is inclusion. As we can see around the world and at home, the main issue surrounding disability services is this issue of social inclusion. I do believe it is now time to embrace an NDIS in this country and also to look to providing more support for people in less-developed countries in our near region who have a disability.

**Kids of Macarthur Health Foundation**

**Mr MATHESON** (Macarthur) (19:20): Today it is my pleasure to speak about a local charity doing extraordinary things in my electorate. The Kids of Macarthur Health Foundation is dedicated to improving health care for every child living in the Macarthur region. It does this by raising money and advocating for children and adolescent health services and research in Macarthur.

The foundation survives entirely on local community support. It pledges approximately $250,000 per year to purchase paediatric medical equipment for Campbelltown and Camden hospitals. This contribution is in addition to the support it offers local community health centres, research projects and children's community health programs such as asthma awareness and juvenile diabetes monitoring. The foundation's success relies on the kindness of the residents and businesses in my electorate who continue to support its events and fundraisers. The generosity of people living in Macarthur is something I have always been very proud of. I am continually amazed, but not surprised, by their willingness to dig deep in order to help local families who are doing it tough.

The foundation was established in 2000 by a group of local business leaders, paediatricians and hospital administrators. Eleven years later, it now raises enough funds to donate around $1 million every four years to purchase paediatric medical equipment for our local hospitals. I must acknowledge the hard work of the foundation's chairman, Mr Bruce Hanrahan; deputy chair, Paul Wakeling; treasurer, Tim Bryan; secretary, Julie O'Keefe; and directors, Fred Borg, Steve Carter, Dr Ric Health Foundation, the group believes this would be the perfect place to establish a third children's hospital for New South Wales. The group also wants to see a permanent paediatric surgeon at the hospital, as the current surgeon is restricted to a limited roster. I support this aspiration in principle; however, I am very aware of the debt the former Labor government has lumbered the people of New South Wales with. My coalition colleagues in New South Wales are doing all they can to get New South Wales back on track. It is certainly a goal that the foundation should continue to work towards.

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Dunstan, Dr Andrew McDonald, Adam Seton and Paul Sinclair and the foundation's hospital representatives, Leisa Rathborne, Dr Setthy Ung and Caroline Bester. I also acknowledge its CEO, Denise McGrath; staff members Carol Tucker, Geanna Campbell and Natalie Hearne; and the 40 volunteers who currently support the foundation. Without all these people the foundation would not be as successful as it is today.

On Saturday, 11 June I had the pleasure of attending the Kids of Macarthur Health Foundation ball at Campbelltown RSL. The annual ball raises funds with a silent auction and major raffle, and guests could pledge money to purchase hospital equipment. This year the ball raised $130,000, a great achievement that the foundation, its volunteers and members of my community should be very proud of. A total of 470 guests attended this gala event, including local residents, business owners, politicians, local councillors and parents who have benefited from the support of the foundation.

One touching story in particular is that of four-year-old Harrison, who lives in my electorate. Harrison lives with a disability called quadriplegic cerebral palsy, and his family has received support from the foundation. Harrison's parents, Lynette and Justin, have described him as a little boy who loves life and the Wests Tigers. Most weekends you can find him at a football game or sitting in front of the TV watching his team and cheering them on. He may not be able to say the whole alphabet yet, but Harrison can proudly tell you every Wests Tigers player's name. Lynette and Justin said Harrison's disability prevents him from walking around unaided. Thanks to the foundation, he now has the use of a walking frame, which his parents say has changed their lives completely. Harrison can now enjoy getting out and about with his parents, because he can walk using his frame with minimal assistance.

Children grow up so quickly, and I cannot imagine how expensive it would be for Lynette and Justin to keep up with Harrison's needs as he grows too big for one walking frame and then needs another. Thanks to the foundation, children in Macarthur who need this equipment can borrow it from an equipment loan pool to save their parents the expense of purchasing expensive equipment that they grow out of so quickly.

This is just one example of the foundation making life much easier for children and their parents in my electorate. It is for this reason that I wanted to acknowledge the foundation and its achievements today. The Kids of Macarthur Health Foundation is a great asset to my community and has given support, hope and strength to many families in my electorate. I would like to publicly congratulate the foundation on its achievements and thank the residents in my electorate who continue to support it. Everyone involved is making this world a better place for our children, and that is something I believe we should all aspire to.

Macartney, Ms Tess
Atkin, Ms Anne

Mr BYRNE (Holt) (19:24): I rise tonight to pay tribute to two very special constituents and their extraordinary efforts in raising public awareness for their respective causes. One of the most rewarding things about being an MP is having the opportunity of meeting inspirational people dedicated to their cause—people like Tess Macartney and Anne Atkin.

I first met Tess Macartney and her mother, Mairi-Anne, when Tess had just been diagnosed with type 1 diabetes as a 10-year-old. Following her diagnosis, Tess became a youth ambassador for diabetes and had the opportunity to describe her experience of
being diagnosed with diabetes and the life changes and challenges that occurred after this diagnosis. As a youth ambassador she conducted fundraising at her local school and was part of the Remember Me campaign, which in part raised awareness about child diabetes and funding to help find a cure for this debilitating condition.

Tess has now become the face of another campaign, which has been raising awareness of carers allowance eligibility for carers of children with type 1 diabetes. The government has sought an independent review to ensure that a decision includes consideration of submissions by affected families as well as community and medical representatives. I commend Tess's and her mother's strong stance on this important issue and the widespread community support that they have received, most notably from the local Leader newspaper, which has established a Facebook group and raised public awareness of this issue by documenting week by week the challenges of everyday families in this situation. This is a tough time for the Macartney family and others in their situation, but their efforts in raising public awareness about diabetes are a tribute to their courage and their strength.

I now wish to pay tribute to another very special person, Anne Atkin, a very special member of the local community. Anne recently published a book entitled Living and Laughing with Parkinson's, which, in a witty, uncomplicated and moving way, provides an understanding of the major life changes that occurred to Anne and her loved ones both prior to and after her being diagnosed with Parkinson's. Anne was diagnosed with Parkinson's at the age of 55. Since then she has worked tirelessly and passionately to promote awareness of Parkinson's in the broader community and to help those battling the disease. In particular, she has discovered and passed on to others the remarkable remedial benefits that artistic expression—in particular, painting—has had on her condition.

As a dedicated teacher in her earlier life, Anne has an obvious passion for teaching and helping inspire others to self-development. Anne believes you can fight to have a life with Parkinson's disease, so she founded Painting with Parkinson's in Victoria, which includes coordinating a group of members who suffer from Parkinson's disease—affectionately termed by Anne as 'fellow parkies'. Through her leadership of the group, Anne helps others experience the transformation that occurred with her own life, passing on this unique painting therapy which has had a profound effect on sufferers' confidence, creativity and wellbeing.

Through her encouragement of self-discovery, Anne has empowered countless other sufferers of Parkinson's to regain their lives and reconnect with the community. Anne has established Painting with Parkinson's classes in Portland, Shepparton and Melton. As an ambassador for Parkinson's Victoria, she travels to all three locations regularly to provide support and encouragement and also to carry out a study for Parkinson's Victoria on behalf of this particular group. Anne has organised art exhibitions where the wider community is invited to view the artwork and learn about Parkinson's, often dispelling common myths and stereotypes in the process.

Anne actively contributes and collaborates with neurologists and neuropsychiatrists to broaden fields of academic research and to recognise the healing properties of artistic expression on Parkinson's and mental illness. Recently Anne's achievements have become internationally recognised. The World Parkinson Congress selected Anne to contribute her ideas to international Parkinson's disease.
son's exhibitions. Anne was one of four from Australia to do so. In 2009 Anne was also rewarded for her efforts by receiving an award for services to people with a disability through the arts by the City of Casey via its volunteer awards.

This book I am holding here, *Living and Laughing with Parkinson's*, is an amazing book. Anne said she wrote the book because she would have liked to read something like it when she was in the early days of her diagnosis—something that was not too heavy and not too light but, as the ad goes, just right. This book is really illuminating. It is divided into sections on the symptoms of Parkinson's and how to deal with those symptoms. It is an incredible book. It is written by someone with extraordinary courage. I will have the great honour of launching it this Saturday. For those people who can buy this book to learn more about Parkinson's, please do. It is an incredible tribute to an absolutely incredible woman.

**National Broadband Network**

Mr FLETCHER (Bradfield) (19:29): This government would have you believe that the National Broadband Network represents a holistic solution to competition in telecommunications. In fact it is increasingly clear that telecommunications competition is being strangled because this government is determined to push ahead with a shiny new network and ranks that as a higher priority than a competitive market in telecommunications. Despite the rhetoric, for at least the next decade Telstra's will be the only network connected to a very large number of homes in Australia. Over that time the government plans that the number of homes served by the NBN will gradually rise but, even if it meets its ambitious timetable, the job will not be completed until 2020. And it is already running well behind the timetable. The NBN Co. corporate plan said there would be around 1.27 million homes passed by fibre by 2013, but they are running well behind schedule, with less than 1,000 services in place right now.

So one of the single most important parts of the regulatory arrangements is the component contained in the draft structural separation instruments, recently released, which set the rules that Telstra will be required to follow for as long as it is a vertically integrated network. But, unfortunately, it is clear from the terms of this draft document that the Gillard government is giving Telstra a very soft ride indeed. The government's stated objective is to impose upon Telstra a requirement that 'industry is able to access Telstra's copper network on a transparent and equivalent basis' during the transition period. In simple terms, what equivalence should mean is that a vertically integrated company like Telstra sells services to its retail competitors on the same basis as it sells those services to its own retail business. But the draft ministerial direction does not even contain a clear statement of what 'equivalence' is.

It is clear that this is nothing like tough enough to impose real competitive safeguards on the vertically integrated monopolist, and Telstra has a proven track record of doing as little as it can get away with in meeting regulatory obligations. For example, since 2005 Telstra has been required to have a position with the Orwellian title of 'director of equivalence'. But Telstra gives every indication of having specified to the holder of that role that his or her key performance indicator is to do absolutely nothing.

Extraordinarily, the draft ministerial direction proposes that once again Telstra should self-police by setting up and funding its own adjudicator. Similarly, the draft direction fails to contain any of the
requirements of Telstra that you would typically expect in this situation. There is no requirement that Telstra specify its transfer pricing arrangements and publish transfer pricing lists. There is no requirement for internal contracts setting out non-price terms of supply. There is no requirement for stronger ring-fencing of staff and no prohibition on cross-divisional responsibilities. And there is no requirement that compliance and disputes with the arrangements be overseen by an independent body.

We have already seen several ways in which the NBN arrangements sell out competition. Telstra and, it is now reported, Optus will be paid to shut down their networks and transfer customers across to the NBN—an arrangement between competitors that would be illegal under trade practices law were it not for the Gillard government changing the law to permit it. Further, specific legal barriers have been imposed upon any player proposing to enter the market in competition with NBN, including being required to comply with NBN Co.'s technical standards and prices.

The reality is that the Gillard government is as desperate to do a deal with Telstra on NBN as it is with Malaysia on asylum seekers and it has given Telstra, which remains the dominant fixed line monopolist, an incredibly generous arrangement here. It is true that these are only drafts and that the arrangements will need ACCC approval, but the ACCC has to make a one-time yes or no decision on the entire package of structural separation undertakings to be lodged by Telstra, including these interim arrangements, and the ACCC will be under huge pressure from the Gillard government to wave these arrangements through in their totality.

The arrangements which are contained in the draft instruments which have been released are so weak as to be, in practical terms, useless. The question is whether the Gillard government will respond to the submissions of the competitive side of the industry and materially toughen up the arrangements which apply during the interim period in which the majority of Australians will still be getting their services from Telstra or over the Telstra network. If the Gillard government does not materially toughen up these arrangements for the interim period, it will be very bad news indeed for competition and for the large majority of Australian telecommunications consumers who will still be using Telstra's network.

**International Development Assistance**

Ms LIVERMORE (Capricornia) (19:34):

Last week an editorial in Rockhampton's newspaper, the *Morning Bulletin*, took aim at the flood levy introduced temporarily by the government to help meet the cost of rebuilding Queensland's infrastructure after the summer's damaging floods. The editorial missed the mark on a number of points, most of them easily corrected in a letter to the editor. What I want to talk about tonight, though, is the editorial resorting to a cheap shot at Australia's foreign aid program.

Members will be familiar with the arguments that came straight off the One Nation website. Most of us received a chain email doing the rounds during the floods making false claims about the government's flood relief response and calling for cuts to Australia's aid budget. On this side of the House we were disgusted but not all that surprised when the proposal was adopted as coalition policy by the opposition leader. The opposition leader took the One Nation bait and advocated cutting funding to Indonesian schools, funding that was introduced by the
Howard government and that is widely praised for its role in combating terrorism by giving Indonesian children an alternative to the radical Islamic schools by instead providing them with a mainstream education. I do not know whether the editorial writer, like the opposition leader before him, was inspired by that email, but his comments certainly used the same populist language and could only have been designed to stir up a mean and insular attitude to foreign aid. Regardless of the editorial writer’s motivations, I want to put on record my objection to such low rent button pushing and my strong support for the government’s commitment to fighting poverty and building security through our overseas development program.

This government came to office with a pledge to honour the obligations Australia accepted in 2000 when we joined 188 other nations in signing up to the Millennium Development Goals. Those goals call on developed countries like ours to lift our overseas aid with the aim, by 2015, of halving world poverty and tackling related issues of child and maternal mortality, lack of education and the rates of infectious disease. The task is enormous. There are one billion people today living in extreme poverty. Eight million children every year—that is, 24,000 a day—die before their fifth birthday. These are shocking and overwhelming facts. The question is: what should we do in the face of such hardship? Australians cannot opt out of the global community. For better or worse this is our world. Should we wait for someone else to come along and fix these problems? If so, who might that be? Are we waiting for a better time to address these injustices? If so, when might that be? The truth is that these are huge problems that require global solutions and global solutions rely on the countries of the world and the citizens of the world to each do their part.

In the last few weeks the government has continued its progress towards those Millennium Development Goals. The budget took Australia’s spending on foreign aid to 0.35 per cent of our national income—an increase of $530 million from last year. That is on track to reach 0.5 per cent of national income by 2015, which meets our Millennium Development Goals commitment. Of course, our aid spending does much more than just meet a target. Australia’s foreign aid programs make a real difference to the lives of thousands of people, many of them in our immediate region where 18 of our 20 closest neighbours are among the poorest nations in the world. Our aid dollars immunise and educate children, develop better crops, provide clean water and deliver health care.

We take a large share of responsibility for helping our neighbours in the Pacific and South-East Asian region, but Australia is by no means alone in pledging its citizens’ support for far-reaching international initiatives. A great example is the government’s support, along with that of many other nations, for the Global Alliance for Vaccines and Immunisation. Last week the Minister for Foreign Affairs joined leaders from around the world in boosting the money our countries will donate to GAVI to continue its life-saving work of vaccinating children against preventable diseases. Australia has lifted its contribution by $140 million to a total of $200 million to the year 2013. This international support for GAVI will fund over seven million vaccinations between now and 2013, saving an estimated four million lives.

Put simply, Australia’s aid program serves our national interest, our national security, our national economic interests and our
international humanitarian interests. We all benefit from living in a secure and stable region where people can live free from disease, fear, poverty and hopelessness. Better lives for people wherever they live and whatever their circumstances means a better and safer world. *(Time expired)*

**Minister for Foreign Affairs**

Mr FRYDENBERG (Kooyong) (19:39): It was Winston Churchill, one of the greatest statesmen of the 20th century, who said: Their insatiable lust for power is only equalled by their incurable incompetence in exercising it.

Wind the clock forward 70 years and you could not find a more apt description of those opposite. Nowhere is this better exemplified than in the field of foreign policy as exercised by our former Prime Minister and now Minister for Foreign Affairs, the member for Griffith. He lurched from one disaster to another, from one train wreck to the next. We had such high hopes for him, a Mandarin-speaking former diplomat with postings to Beijing and Stockholm; a man who hounded Laurie Brereton in the shadow foreign affairs portfolio before deposing him with a knife as sharp as the one used by Wayne Swan.

During his term as foreign minister, like his term as Prime Minister, we have had one of the worst foreign policy records in living memory. Labor has ignored our region and Australia is worse off for it. It is worth recalling this litany of failures, country by country and issue by issue. I start with Japan, which was bypassed by the foreign minister on his first trip as Prime Minister. The quadrilateral security dialogue between India, the United States, Australia and Japan was abandoned. He promised to haul Japan before the International Court of Justice on whaling, just as the Japanese foreign minister was landing in Australia. In China, the foreign minister lectured them on human rights and then worried about the Manchurian candidate moniker starting to stick. So when he was sitting next to the Chinese ambassador in a TV interview in London he quickly changed the seating arrangements. How humiliating was that?

With Indonesia we had the *Oceanic Viking* stand-off, and now we have got the fiasco around live cattle exports. The problem is that we are high-handed in our relationship with Indonesia, rather than treating it as a partnership of equals. With Malaysia, the foreign minister has failed to lift a hand on the five-for-one people swap, damaging our bilateral relationship in the process. With East Timor, he allowed the Prime Minister to announce an agreement that never existed. With the South Pacific, it is absolutely disgraceful that the foreign minister has not visited there as foreign minister. We are the largest donor in the South Pacific. Could you imagine a CEO not going to visit the countries or the places where his money is being spent? With Fiji, we have been excluded from regional forums. With Papua New Guinea, when it came to Manus Island, we were nowhere to be seen; we do not have a foreign minister who is willing to visit.

With India, we have failed to sell uranium to them despite urging our partners in the Nuclear Suppliers Group—another 44 countries—to do so. With the United States, the foreign minister, when he was Prime Minister, was responsible for a well-publicised leak of a private conversation with George Bush. When it comes to the Department of Foreign Affairs and Trade we have a situation where, as Prime Minister, he vetoed the appointment of Hugh Borrowman as an ambassador because he allegedly did not possess the requisite foreign language skills. Many people suspected that it was to settle old scores.
Then there is the Asia-Pacific community, his own private idea. He was not happy with APEC, he was not happy with the ASEAN Regional Forum and he was not happy with an East Asia Summit. So he had to come up with the Asia-Pacific community by 2020. Marty Natalegawa, the then foreign minister of Indonesia, said it is 'another layer, an out-of-nowhere construction not in concert, not in synergy with what we have'. It came as a surprise to Ambassador Woolcott, who was approached to lead this initiative just two hours before the Prime Minister announced it. Our UN Security Council bid has diverted key resources away from our 90-odd missions overseas, and the Governor-General was sent on a very unusual seven-nation tour of Africa. The problem is we have a Prime Minister who is not interested in foreign affairs and we have a Minister for Foreign Affairs who is not talking to the Prime Minister. In the member for Griffith's maiden speech, he said:

Politics is about power. It is about the power of the state.

Well, he has visited over 40 countries, travelled 300,000 miles and has very little to show for it. Henry Kissinger said:

If you don't know where you are going, every road will get you nowhere.

Unfortunately, this reflects Australian foreign policy. (Time expired)

Moreton Electorate: Muslim Community

Mr PERRETT (Moreton) (19:45): That is five minutes of my life I will never get back. In recent days there has been a bit of media about a Muslim woman and the need for her to remove her burqa. I refer to an article from today's *Daily Telegraph*. Sometimes there is a bit of hysteria associated with this and it can lead politicians, shock jocks and other people to listen to their lesser angels. Sometimes their race to condemn multiculturalism and play to the fears of some means that Muslim Australians are again the victims of the opposition's divisive and ignorant political games—maybe. I mention particularly the opposition immigration spokesperson, the member for Cook; the shadow parliamentary secretary, Senator Bernardi; and the member for Dawson, who made some interesting comments in the House yesterday:

It has occurred to me that there is something missing from this blame game. They are quick to blame Australian farmers and the industry, but they have not said anything about the religion that actually inspires the torture of the cattle there.

It is very misguided for a country person to not understand. But I will say that the member for North Sydney is one courageous exception amongst a few on the other side of the chamber. I have seen, in the bipartisan, friendly games of touch football, that the member for North Sydney knows how to use his head, but he also knows how to listen to his heart.

In my first speech to this chamber, I committed to stand up for my multicultural community. It was not some empty leftie, politically correct ideal; my core belief is that everyone matters. This includes the nearly 5,000 people in Moreton who identify as Muslim. They come from Bosnia, Sudan, Iraq, Pakistan, Zimbabwe, South Africa, Egypt, Somalia, Turkey, Malaysia, Indonesia and Afghanistan. If you listened to the opposition, you would think that places like Moreton, where one in three people were born overseas, were a melting pot of racial tension and division. Nothing could be further from the truth.

I invite the member for Cook, Senator Bernardi, the member for Dawson and any other members opposite to visit my electorate and see for themselves the vibrant, harmonious community that is Brisbane's Southside. If they were to visit, what would
they see? If they were to share a meal with me at Michael's Oriental Restaurant, a place where Chinese, Muslims and the rest of us converge, would they still revolt against multiculturalism? Scout Finch said in *To Kill a Mockingbird*:

… you never really know a man until you stand in his shoes and walk around in them.

So, Member for Cook, Senator Bernardi and Member for Dawson, come and walk in the shoes of multicultural Moreton. You will see that my patch is home to about five or six mosques, including Holland Park, which at 102 years old, is the oldest mosque in Queensland. You will also find progressive Islamic schools and Griffith University's Griffith Islamic Research Unit, a network of scholars who research Islam in Australia and seek to bridge the gap between Islam and the West. The unit's director and founder, Dr Mohamad Abdalla, is a champion for social inclusion and racial harmony in Brisbane.

Those opposite would also see a Muslim community which has remained committed to racial and religious harmony. The leaders of the Islamic community have done so much to foster greater respect and understanding between Muslims and others. One of these leaders is Mustafa Ally, who edits an online news website, Crescents of Brisbane. He was also the 2008 Multicultural Citizen of the Year.

The Muslim people in my electorate are not living in ghettos; they embrace and personify Australian culture and Australian values. Following the Brisbane floods, 400 volunteers turned up at the Kuraby Mosque to offer help and financial support to flood-affected people, particularly in my electorate. They raised more than $50,000 for the flood effort, to be distributed to individuals. They were hands-on distributing meals to flooded households, to volunteers and to police on the streets—no prayers, just a practical helping hand. Together, they cooked more than 2,000 meals, and 20 Muslim tradespeople from New South Wales came up to Queensland to help—for free, gratis. The Islamic Women's Association of Queensland is also doing good work in the Moreton electorate, through aged care and other community services.

To paraphrase the former Liberal Prime Minister Malcolm Fraser, it is not multiculturalism that has failed; rather it is those who seek to stir up division and fear who have failed. The last time we had politicians—redheaded ones—exaggerating racial division, one of the mosques in my electorate was firebombed. That is why I will not allow the voices of fear and ignorance to reign again. They deserve no oxygen and they deserve the strongest condemnation from everyone on both sides of the chamber. My commitment to the people of Moreton on the date of my first speech, 17 February 2008, remains my commitment now: that we should not tolerate voices that seek to divide the community; instead we should recognise those that are doing great work and are keeping our community together. That is the sort of Moreton that I am fighting for and that is the sort of Australia that I would hope all people in this chamber are fighting for. *(Time expired)*

**High-Speed Rail**

**Mr BANDT** (Melbourne) (19:50): Right now, airports across the country are dealing with enormous backlogs of passengers from hundreds of domestic and international flights cancelled because of the volcanic ash cloud. Qantas, Virgin Blue and Tiger have cancelled various flights across Bass Strait and into and out of Melbourne, Canberra and Sydney as well as a number of other airports. If ever there was another reason for high-speed rail, it is the current state of air chaos.
If we had high-speed rail between our big cities at the moment, the trains would be packed with happy travellers getting from Sydney to Melbourne and Sydney to Brisbane in three or four hours. Travel between my electorate and Canberra on a high-speed rail network would take about two hours. When you add travel time to and from the airports for the equivalent journey by air, two hours is not an inconvenient time. When you consider that the journey could be completed with comfortable seats, phone and internet access and a carbon footprint a mere fraction of the air equivalent, its benefits are compelling.

The constituents in my electorate understand the benefits of this key nation-building infrastructure product. My office has been bombarded with correspondence calling for high-speed rail—three hours from Melbourne to Sydney and four hours from Canberra to Newcastle. A high-speed rail link on Australia’s east coast, through Canberra, would provide fast, reliable and sustainable transport for 75 per cent of our population.

High-speed rail links, with trains travelling at speeds up to 500 kilometres per hour, and more generally at 250 to 350 kilometres per hour, are already widespread in other parts of the world. Last year, Spain budgeted $50 billion to extend its network. Meanwhile, China is undertaking an extraordinary $1 trillion, 13,000 km build.

Looking at what is possible in Australia, it is clear that high-speed rail would reduce greenhouse emissions from transport and reduce congestion on the high-demand Melbourne-Sydney and Sydney-Brisbane flight routes and on the accident prone Pacific, Hume and Princes highways. The link would also generate thousands of jobs and promote regional development.

Many constituents have contacted me through the Fast Trains for Australia web campaign. I thank those who have taken the time to contact me and am pleased to say that, because of the Greens, we are starting to take the first concrete steps towards delivering high-speed rail for Australia.

The Greens have been campaigning for high-speed rail for a long time. In 2010, we moved a motion in the Senate for a feasibility study, but the coalition and the government opposed that motion. Following the election, a key part of the Greens’ agreement to support the Gillard government was a $20 million dollar feasibility study on high-speed rail to be delivered by July. The study is now underway, coordinated by the Department of Infrastructure and Transport, and is drawing on international experience, public and private sector expertise and growth forecasts and other contemporary data. The first phase is on track to be completed by July and will identify requirements for a viable high-speed rail network, including consideration of route and station options and costing. For the second phase, the government has committed to a strategic study on the implementation of high-speed rail on the east coast of Australia.

I commend the government for following through on our agreement; however, I am disappointed by recent statements by the Minister for Infrastructure and Transport that the study should focus on his own state of New South Wales, by flagging the Sydney-Newcastle route as the government’s priority. I would hope that the push for a national high-speed rail network is not being undermined by short-sightedness. The Newcastle-Sydney connection is one of the most difficult parts of an east-coast high-speed rail network to engineer, probably requiring large amounts tunnelling. Per kilometre, the Melbourne-Sydney leg will be cheaper and more cost effective, and the
Sydney-Melbourne air route is the fourth-busiest air corridor in the world.

At a time when we are having discussions about the size of our cities—about whether they are sustainable and whether we should be putting limits on them—we should consider the potential benefits of a high-speed rail link connecting capital cities, from Sydney to Melbourne, with stops along the way and with alternative express routes. The benefits for towns along the way that might grow into cities are very obvious. In the United Kingdom, when the St Pancras to Kent line was built it was found that a number of people who would otherwise have lived in the city moved out to Kent for the benefits, and then found themselves only an hour away from their work. If you live 300 kilometres away from Melbourne you cannot commute; with high-speed rail you could do it on a regular basis. I and the Greens will be working hard to ensure that the priority will be given to a national network and not to a scaled back pilot for the minister's backyard in New South Wales.

Lyne Electorate: Floods

Mr OAKESHOTT (Lyne) (19:55): I rise this evening to report to the House on some of the worst flooding on the mid-North Coast in over 30 years, which occurred last week. The community rallied on many fronts but was exposed in a number of areas that are worthy of some policy consideration as a consequence of the natural disaster. The estimated damage bill is significant. All five councils in the Lyne electorate were declared to be disaster areas. The estimated cost to tourism at this stage, from that week alone, is around $14 million. The wider impact at this stage is around $35 million. That is before we get into the various costs for infrastructure and insurance on personal property.

The major route north, the Pacific Highway, was cut for a substantial amount of time in Pacific Highway terms. For it to be cut for around three or four days is a significant cost to business and a significant impost to the 11,000 to 12,000 users on a daily basis. With the tourism hat on, I would welcome all visitors to the mid-North Coast. We are now open for business. The weather has been great over the last week, the waters have receded well and most businesses are back to normal. Any support from visitors would be welcome.

About 16,000 residents were isolated last week, and that has a whole range of complications and implications. Dairy farmers, for example, had to tip milk into nearby rivers and lost trade as a result. Medical supplies had to be choppered in to various locations. Hospital emergencies had to be dealt with. About 3,500 people could not return home for a significant amount of time, so evacuation centres were set up. The damage bill in Kempsey alone is around $8 million dollars. Fifty-two people were rescued and the SES responded to about 1,500 requests for help.

It is the worst flooding in the Manning district for 33 years and this is an opportunity to say a very big thank you to all the volunteers who assisted last week—to the Oxley SES incident controller, Stephen Hart; the Oxley division boss, Peter Floyd; and the entire team that came together. Australia does many things well, but I do not think we do much better than emergency response, and here was yet another example of that.

Community stories are coming out which make you proud to be a mid-North Coast resident and an Australian. State of Origin night was basically when it all happened. I am sure that members of one of the oldest rugby league teams in Australia, the
Wingham Tigers, were all settled in front of their TVs, probably cracking the first beer, when one of their mates rang another friend. The entire club went around to this guy's—Mick Bailey's—house. Rather than watch the football, which is the Oscars in rugby league terms, they assisted—over the hour and a half to two hours—a bloke who was in desperate need and needed a lot of stuff moved very quickly. The Wingham Tigers definitely showed a club and an Australian spirit and the story is one of those great stories of resilience that come out of natural disasters such as this. Businesses such as the Davis family business, which is the Kempsey McDonald's, contributed significantly to the Kempsey community. They managed to get the McDonald's organisation to contribute substantial funding to support the local community, so thank you to the Davis family and the many other businesses like them.

From a policy point of view, there are still some issues we need to deal with on the back of the Queensland floods. One of those is to create a standard definition of floods. We are already getting reports from various residents who thought they were doing the right thing—they thought they had flood insurance—but have found themselves exposed. That is potentially financial ruin for some. We need to address that as a parliament. The other is the outstanding issue of local councils being left with a huge local roads- and timber-bridge-building program that they cannot complete.

House adjourned at 20:00

NOTICES

The following notice(s) were given:

Ms MACKLIN: to present a Bill for an Act to amend the law relating to Aboriginal land rights, the Indigenous Land Corporation and the Torres Strait Regional Authority, and for related purposes.

Mr ALBANESE: to move:

That standing order 31 (automatic adjournment of the House) and standing order 33 (limit on business) be suspended for the sitting on Thursday, 23 June 2011.
The DEPUTY SPEAKER (Hon. Peter Slipper) took the chair at 09:30.

CONSTITUENCY STATEMENTS

Cowper Electorate: Floods

Mr HARTSUYKER (Cowper) (09:30): I rise to draw the attention of the House to the impact of the recent floods on the North Coast of New South Wales. The floods have impacted communities in the local government areas of Kempsey, Nambucca, Bellingen, Coffs Harbour and Clarence Valley. As with all natural disasters, the impacts of these floods varied from community to community. In places such as Woolgoolga there were falls of up to 400 millimetres, with 250 millimetres of rain falling within a 24-hour period. In other areas such as Red Rock, the community was shaken by a minitornado which ripped the roof off the local bowling club and damaged surrounding houses. In the south of my electorate some residents were evacuated from the Smithtown, Jerseyville and Kinchella communities, and the local newspaper, the Macleay Argus, reported that around 10,000 people were isolated as the Macleay River peaked. Thankfully the levies at Kempsey held and thousands of people were spared the impact of having the town inundated by the rising waters.

In my electorate there has been no loss of life as a result of these floods, but that does not mean that the week's events have not had an impact. Roads have been damaged, crops have been lost and, in some cases, homes have been severely damaged. Sewerage infrastructure has also been at risk of malfunctioning. Many residents in low-lying caravan parks have been particularly impacted. The Pacific Highway was also closed for a number of days and it opened again on Sunday evening. The state government has declared the five local government areas a natural disaster area. This will provide some level of assistance to councillors and primary producers affected. I have written to the Attorney-General offering my assistance to obtain any information which the minister feels is necessary to ensure that all appropriate Australian government assistance is provided to my constituents.

The people of the North Coast are resilient. The community's capacity to recover relies not just on the toughness of the local people who live in the area. The response has been significantly enhanced by the great work of our local emergency services workers. As in the case of every natural disaster that has occurred on the North Coast, our local emergency services volunteers have been fantastic and do a great job to assist those in need. I would like to take this opportunity to commend the work done by our emergency services personnel and their skill, professionalism and dedication to the people they protect. I commend their work to the House.

Rotary Club of West Torrens

Mr GEORGANAS (Hindmarsh) (09:32): I rise to pay tribute to the Rotary Club of West Torrens. It is a club consisting of ordinary members of the Hindmarsh community who do extraordinary work in support of very good causes. The type of work that the Rotary Club of West Torrens does is best described as humanitarian, and I will give you a few examples. The club provides support to a teacher at St Jude’s school in Tanzania, eastern Africa, and to the Australia Bringing Hope organisation, which was created by a man who sold his house and...
possessions in Australia to finance his own mission in Uganda to promote local employment outcomes and businesses. The club also holds quarterly fundraiser barbecues in support of Ronald McDonald House for the seriously ill children who find some peace and comfort in that charity’s work. These are just a couple of examples of the work that the Rotary Club of West Torrens engages in and of the drive it has as a community organisation to alleviate suffering, to provide assistance and encouragement to those who may be most in need, and to promote good fellowship amongst the club members.

I am sure that all of us have seen evidence and heard reports of the decline in volunteering in all of our neighbourhood clubs, and even Rotary has found that sustaining clubs can be difficult. Hence, when the Flinders Park Rotary club ceased to exist recently due to the loss of a critical mass I was glad that many, if not all, of the former Flinders Park members found a place for their humanitarian volunteerism in the Rotary Club of West Torrens. I would like to mention the executive of the past year and those elected to take their place at the meeting on Wednesday, 29 June, which I will be attending. President Wally Young has made way for incoming president Greg Williams and Vice-President Bruce Harrison has done the same for John McIlwaine. President-elect Greg Williams has vacated his position for Max McSorley and Secretary Maurie Howard has moved aside for David Jones. Treasurer Terry Saunderson, who is also my florist and whom we buy lots of flowers from—if anyone in my electorate is after flowers, Saunderson Florist is one of the best in Adelaide—has relinquished his position for Jeff Lanyon. Terry continues to serve in the capacity of assistant treasurer. Board members focus on particular areas of club activity. The international focus held by Arthur Greenhalgh will be held this year by John Murray, the community focus held by Jeff Lanyon will be held by John Duncan, Max McSorley will continue to hold the vacation focus and club services addressed by John McIlwaine will be assumed by Wally Young. To all the executive and board members of the last 12 months, congratulations on the tremendous work and the great support you have provided to your chosen organisation and personnel. To the new executive and incoming board, may I wish you every success through this coming year.

Latrobe Valley Airport

Mr CHESTER (Gippsland) (09:35): I join with the member for Hindmarsh in sending a big bouquet to Rotarians everywhere. I would like to speak today in relation to an exciting project with the potential to create up to 200 jobs in Latrobe Valley. I have written to the Minister for Regional Australia, Regional Development and Local Government in relation to plans to upgrade the Latrobe regional airport. I had the opportunity last week to visit the airport in the company of the General Manager, Neil Cooper, and the Chairman of the Board, Graeme Middlemiss. I think the fact that Graeme was there is evidence of the bipartisan nature of this particular application; Graeme is a former state Labor candidate but was happy to meet with me and our state member for Morwell, Russell Northe, to take us around the site. While we might not always agree on some political issues, we certainly agree on the need to create jobs in the Latrobe Valley and to take advantage of our skilled workforce to give our young people every opportunity to achieve their full potential, through training and the learning of new skills, to remain in the broader Gippsland region.

Latrobe City Council is seeking $3 million from Regional Development Australia to support this $6.2 million redevelopment of the facilities. The project is the second of three stages designed by the council to create high-quality employment opportunities and to help
develop the aviation industry at the site. There are works associated with the new production hangar to accommodate the production of the GA10 Aircraft, which is a new model for Gippsland Aeronautics and I will talk briefly on that in a few moments. Stage 2 works also include the construction of a new development hangar, additional car parking, extension of the airport aprons, taxiways and roadways and the relocation of the existing non-directional beacon. It is a very important project for the Latrobe Valley region, particularly in the context of the challenges facing our community as a result of the uncertainty created by government policy in relation to carbon pricing.

Gippsland Aeronautics is the only commercial aircraft manufacturer in Australia. It is renowned for its famous G8 Airvan, which is often described as the 'ute of the sky'. It is a very practical aircraft and more than 160 have already been sold throughout Australia and the world. Although the company faced some challenges in the wake of the global financial crisis, where it was difficult for people to secure finance to purchase aircraft, it is now owned by the Indian based firm Mahindra. The production of aircraft, however, remains firmly based in Gippsland and they are doing some excellent work in that regard.

The company has some very bold plans for the future; they are in the process of developing a prototype for the GA10, which is a stretch version of the Airvan with a bigger payload. Another exciting initiative on the way at the moment is to recertify and begin production in Gippsland of the GA18, well known to the aviation enthusiasts in the community as the Nomad. This is an 18-seat, twin turboprop aircraft which is capable of landing and taking off in semi-prepared strips, which is obviously an attraction in developing nations in particular but also throughout regional Australia, where strips are sometimes not up to metropolitan area standards. It is a versatile aircraft, and the aim is to have certification by 2014, with production to commence after that date. These are very exciting plans and it is contingent upon all levels of government to work with the industry to help the aviation sector flourish in the Gippsland region.

Primary Industry Centre for Science Education

Mr SIDEBOTTOM (Braddon) (09:38): Good morning, colleagues. This morning I want to talk about PICSE, that is, the Primary Industry Centre for Science Education. This is a fantastic program that actually started in my electorate. I remember back in 1997-98, David Russell, who used to be a colleague of mine at the Don College, the senior secondary college in Devonport, had the idea of promoting science in general and, more specifically, science in agriculture as a program. Historically, this has proven to be a fantastic idea. David went on to try and get funding to create these centres for science education. He was successful in 2008 with my help and, I must say, with the help of the Minister for Innovation, Industry, Science and Research, Minister Carr, and the then education minister, Julia Gillard, in securing $3.6 million towards the creation of PICSE.

PICSE started off as one centre for science education on the north-west coast of Tasmania and is now in nine centres throughout the country. It has tremendous collaboration and partnerships, as I mentioned, with a number of universities throughout the mainland, also with business partners and other auspices, and most especially with many, many schools. I note that in the period to 2010, for instance, something like 45,000 students have had careers information presentations made to them. The centres have informed around 800 students in years 11 and 12 about study and career opportunities during specific science industry camps.
and specific industry placements. They have conducted professional development programs for nearly 900 secondary science teachers, using select primary industries to demonstrate the relevant science, and they have supported something like 4,000 secondary school students and their teachers in participation in science investigation awards. Some of the topics they are investigating at these high schools include the effect of oil spills on marine environments, vitamin C content in ageing lemons, what makes the best home desalination plant, the decomposition of food matter, and heart rates and CO2 production. Last night Dominique Cottrell and Gabby Bennett received scholarships from PICSE. I congratulate them. I also congratulate David Russell and the whole PICSE education team. (Time expired)

Taylor, Mr John

Mr TONY SMITH (Casey) (09:42): I rise today in this House to record the passing of John Taylor a few weeks ago, in May. I read of John Taylor's passing in the Canberra Times last week. John Taylor was Auditor-General for the Australian Parliament from 1988 until 1995. Prior to that he had a distinguished career in the Public Service in numerous positions, including in the PMG, the Public Service Board and the department of trade. He was Consul-General to New York before his career culminated in appointment to the important office of Auditor-General in 1988. He was Australia's 12th Auditor-General. I did not know Mr Taylor, but I remember him from his time as Auditor-General. Many members from that time will remember some of the Auditor-General's reports, including on the sports rorts affair. He was Auditor-General at the time of that issue, but that is not why I speak today. I wanted to take the opportunity to pay tribute to him and recognise the importance of his office.

The position of Auditor-General and the function and role of the Audit Office are both of vital importance within our system of government. As a former chairman of the Joint Committee of Public Accounts and Audit, I have obviously seen firsthand the important work the Auditor-General does. It is for this reason I think the parliament should take the time to pay tribute to Mr Taylor, given his former position. As I said, the role of Auditor-General is critical within our parliament. The checks and balances are vital to a proper functioning democracy, and the oversight provided by the Auditor-General and his office is of critical importance in that regard. This is something we should always recognise within this parliament. It is something that the founding fathers themselves recognised. The Auditor-General's effectiveness is governed not just by the resources he has but, critically, by his independence and the 10-year independent term that he has and his appointment being made by the parliament.

The DEPUTY SPEAKER (Hon. Peter Slipper): Order! A quorum not being present, this sitting of the Main Committee is suspended. It will be resumed shortly.

Sitting suspended from 9:45 to 9:48

Mr TONY SMITH: The importance of the role of the Attorney-General was recognised by our founding fathers. In fact the Audit Act 1901 was the fourth act passed by the parliament, coming into effect in January 1902. Its passage followed two supply acts and the Acts Interpretation Act. (Time expired)

Robertson Electorate: Five Lands Walk

Ms O'NEILL (Robertson) (09:48): I rise to speak on the amazing Five Lands Walk that was held on the Central Coast on Saturday. It traversed five of our fantastic beaches, hence
the name 'The Five Lands Walk'. After having had a week of rain on the Central Coast, the sun shone for us on Saturday, and 10,000 people walked the beaches from MacMasters through Copacabana, Avoca, North Avoca and over the hill into Terrigal. This was no small thing to achieve and I want to pay tribute today to the people who made the day such a wonderful event. Firstly, I acknowledge the president and the vice-president of the organisation for the Five Lands Walk, Con Ryan and Pauline Wright. They had 400 amazing organisers and performers who worked alongside them. In terms of leadership of our Indigenous community I want to acknowledge here in this place Gavi Duncan, Phil Bligh, John Oates and Denise Markham for their amazing leadership throughout the year for the Indigenous community of our area, the Darkinjung and Guringai peoples, but also I want to acknowledge their particular contribution on the day. John Oates led a group of people who in fact created the very first corroboree that has happened in hundreds of years on the sandy beach that we call MacMasters and Copacabana beach, better known to the Indigenous people as the Tudibaring and Bulbaring Headland in the region of the Bouddi National Park. To facilitate all of this was no small achievement. Participating in the dances that the corroboree revealed to us was Stuart Smith, one of the really great young leaders of our Indigenous community.

I want to acknowledge Gary Clark, John Seisun, Mardi Love, Rick Parsons and Peter George, the leaders of our local surf lifesaving community, who facilitated the walk and I also want to put on the record that Kasey Chambers helped out not with song but with cutting fruit and veg and delivering beautiful food at Copacabana. We connected people to place and people to people. We connected the Italian, the African, the Maori, the Filipino and also the Greek communities with the Indigenous communities and all the visitors to our area. I want to congratulate Central Coast Tourism—in particular Ollie Philpott and Chris King and the artistic direction team, Nicola Read, Chris Woulfe and Pauline Wright, who doubled up in that role as well.

Our students from Copacabana Primary School and Avoca Beach Primary School participated and created beautiful art which decorated the beach. Sue Lewis as the principal of Copacabana school has been an outstanding advocate for connecting our community in Copacabana to people and to place. The photographic exhibition was also wonderfully coordinated by Sandy James. I want to say that next year you should all do the Five Lands Walk on the Central Coast. (Time expired)

The DEPUTY SPEAKER (Hon. Peter Slipper): Before calling the honourable member for Mayo I would just like to observe that it is apparently a fairly recent phenomenon, when a quorum is called for in the main chamber, for the quorum to be withdrawn from the Main Committee. No honourable member of course is compelled to remain in the Main Committee and I do understand that the member for Robertson consulted before she left to join the quorum in the main chamber, so there is no criticism intended of anyone. I was just wondering whether the whips collectively might consider if in the future the Main Committee ought to be allowed to proceed to do its business. It is a matter for the whips; there is nothing I can do about it. But it seems to have been something which has occurred only in the last couple of days, and I gather that in years past that was not a practice that has been adopted. The honourable member for Shortland, I think, wishes to comment on my comment.
Ms Hall: Unfortunately, with the large number of quorums that have been called in the House it is necessary for us to get as many people as we can down to the House as quickly as possible. In the current environment we feel that we have to get all our members to go to the House as quickly as possible. I apologise for any inconvenience this may cause you, Mr Deputy Speaker, but unfortunately that is the way it has to be.

The DEPUTY SPEAKER: I did not take it personally. I was just making the general observation that it appears to be a new practice which has started to occur which was not previously happening. It is a matter, of course, for honourable members; it is a matter for the whips because no member is compelled to stay in the chamber at any time.

Egypt

Mr BRIGGS (Mayo) (09:53): I rise today to raise an issue relating to quite a disturbing event that has taken place in recent weeks in Egypt. Earlier this year, the world watched on as the Egyptian people stood up for their own freedom in the early part of what has been described as the Arab Spring. They were momentous events that many of us in this place watched with great interest, and that were watched across the world with great interest. Particularly to those who believe in the cause of freedom, they were events that we should be celebrating.

Egypt of course has played a significant historic role in world history and for the past 30 years has played a genuine stabilising role in the Middle East. We, of course, want that role to continue into the future. Some of us have been concerned, and many people of sound mind across the world have been concerned, about the potential for the vacuum which has been created in Egypt to be filled by people who wish to install a new type of vicious dictatorship rather than a free and open society, which we would hope could come from the events earlier this year. This is a similar outcome to what happened in Iran's revolution in 1979. In this respect, I raise the circumstances of a young American university student, Ilan Grapel, a dual US-Israeli citizen studying law in the United States. His family are in the United States and he was a former congressional intern. Mr Grapel has an Australian link, working for some time with Colin Rubenstein as an intern at the Australia/Israel and Jewish Affairs Council just a couple of years ago. Disturbingly, Mr Grapel was arrested by Egyptian state security officers early this month. He remains in detention. He was alleged to have been involved in espionage and fomenting sectarian strife in Egypt. These allegations at best seem far-fetched and when you consider that Mr Grapel is a regular visitor to the Middle East and had entered Egypt under his own name on his own passport and was posting daily messages on Facebook, the allegations do raise significant concerns.

This is similar, sadly, to the five-year anniversary of the detention of Israeli citizen Gilad Shalit, who has been held by Hamas since 2006. I call on our Minister for Foreign Affairs, Kevin Rudd, to make representations to the Egyptian ambassador. This is not the path that the world wants to see Egypt follow. We want Egypt to become a tolerant and open society that respects the rule of law. This does not indicate that path. (Time expired)

Shortland Electorate: Youth at Risk Program

Ms HALL (Shortland—Government Whip) (09:56): As members of parliament, from time to time we see fantastic programs operating within our local communities. One such program in the Shortland electorate is operating out of the career skills education section at
Belmont TAFE. It is federally funded under the Youth at Risk program and it is for 15- to 16-year-olds who have become disengaged from school. This program is getting some fantastic outcomes. The course is at certificate II level and includes vocational as well as general education units. The aim is to engage young people so that they complete the course, gain some vocational skills and then move on and find employment. There is a variety of organisations involved with the program: the Lake Macquarie PCYC, a counselling organisation and the schools where the disengaged students come from—and I know there is a particularly close relationship with Belmont High School. Initially, 19 youths were assessed and enrolled. Their literacy and numeracy was assessed and, as a consequence, they have received intensive literacy and numeracy support. The students' behaviour was challenging and that was expected. They lacked concentration, were unable to listen to direction or accept authority and had issues about how they related to other people. The course teachers were aware of these difficulties and the disadvantage of these young people, and the course was structured around those needs. This initiative has been really beneficial to those young students. These youth at risk students are now happy to be there and their attendance is very consistent. Community service youth work students are satisfying their requirements with their work placements. The staff involved have also benefited from their involvement with these young people. The staff-student ratio is one on one. The trial has been at Belmont TAFE and it has worked well with the schools. This is a great program, it involves volunteer tutors and trained qualified teachers and it has enhanced the relationship between the TAFE and local high schools.

Longman Electorate: Shekinah Centre

WYATT ROY (Longman) (09:59): A couple of weeks ago I had the privilege of visiting the Shekinah centre in my electorate and meeting with the development officer, Mr Bill Fowles, the girls who participate in the program and other volunteers at the centre.

Unfortunately, in my electorate we are experiencing double the national unemployment rate and double the national suicide rate. There are many young people in our community who suffer from the pressures that unemployment and rising cost-of-living pressures put on their families, and they simply are not coping very well at mainstream schools despite the best efforts of those schools to accommodate them.

Fortunately, some of the girls in my community who might be struggling to stay at school are able to attend the Shekinah centre. Here they have designed programs in order to re-engage girls with the community and with educational programs when they are at risk of falling through the cracks and being lost to the education system. The schools in my community are able to refer girls who may be marginalised or at risk of marginalisation from the education system. In fact, many girls who participate in the program return to mainstream schooling or undertake further study.

The Shekinah centre has developed an alternative way of providing quality and practical educational programs to the girls in a way that removes academic pressure without compromising the integrity of the programs offered. It provides a calm and supportive environment in which the girls who attend are able to realise their potential through participating in a wide range of educational experiences and learning opportunities. Learning experiences are tailored to be hands-on and practical. Girls ride horses, cook and engage in drama and art activities.
When I visited the centre, the girls were preparing lunch. This is an activity they undertake every Wednesday, and on the menu were satays and salad. I was impressed by the cooperative and friendly way that the girls were going about preparing the meal, setting the table and interacting with each other. It was a great environment to be in.

When we sat down for lunch and went around the table introducing ourselves, the girls shared their aspirations for the future. There was not one girl who did not want to continue with her education. Most of us understand that education and training are the keys to employment. However, for some kids in my community it just is not easy to attend school, finish year 12 and go on to achieve some additional qualification that will help them to find a satisfying job. The Shekinah centre provides a safety net for some of these kids, and it is to be commended for the work it does with the girls who attend its program. Certainly, the girls I met were interested, engaged and eager to make a contribution to their community. I look forward to my next visit.

Lindsay Electorate: St Mary's Public School

Mr BRADBURY (Lindsay—Parliamentary Secretary to the Treasurer) (10:02): I rise to acknowledge the 150th anniversary of St Mary's Public School. I had the great honour and pleasure of joining several hundred people at the school's recent anniversary celebrations, when not even the prospect of rain could dampen the spirits of those who had gathered. With a welcome to country and traditional smoking ceremony by Uncle Greg Sims, the celebrations took us back to an era before this great nation had come together as a federation, to the year in which the first Melbourne Cup was run and in which those great explorers, Burke and Wills, perished on their journey to the northernmost reaches of Australia.

Helping to paint the picture for us were displays of heritage costumes and a firing of muskets in salute by volunteers in historical military uniform. There was some fantastic entertainment by local singers, Nicholas Gentile and Julia Plummer, and fabulous musical performances by the entire school community. There was also the unveiling of an old school bell, specially restored to commemorate the occasion, and a new paved area that was completed with the help of donations from the community.

I would like to acknowledge the wonderful efforts of principal Matthew Plummer and the members of the organising committee: Gail McLister, Collette Rankine, Michele Maton, Cheryl Guy, Lisa Kitching, Bruce Sheridan, Tanya Judd, Norma Thorburn, Paul Mills, Marion McLeod and Linda Terry. I would also like to acknowledge the contribution by the members of the St Mary's Historical Society who helped to create the special atmosphere on the day.

Clearly, there have been some great stories emerging from the 150 years history at the school. But possibly the most significant is that St Mary's Public School was the birthplace of our national anthem. Peter Dodds McCormick, who taught at the school in 1863, was a prolific composer of patriotic songs and poetry. Among the melodies and lyrics that he penned at the time was *Advance Australia Fair*. While it took more than 100 years for that song to be adopted as a national anthem, it is a source of great pride to our community that it found its genesis at St Mary's Public School.

Over the last 150 years, St Marys Public School has contributed to the education of literally thousands of Australians, many of whom have gone on to become outstanding members of
our community. It continues to make a positive impact on the lives of its students, particularly through the work it is doing with the Gillard government's national partnerships funding. It has also been home to hundreds of our finest educators, including former state member for Penrith the Hon. Faye Lo Po, who began her teaching career at the school as a young 19-year-old. I would like to thank those teachers past and present for their wonderful work. St Marys Public School has a uniquely rich history and I look forward to seeing it continue to play a significant role in our local community over many years to come.

The DEPUTY SPEAKER (Hon. Peter Slipper): Order! In accordance with standing order 193 the time for constituency statements has concluded.

BILLS

Product Stewardship Bill 2011

Second Reading

Mr BRADBURY (Lindsay—Parliamentary Secretary to the Treasurer) (10:05): I present the explanatory memorandum to this bill and I move:

That this bill be now read a second time.

The Product Stewardship Bill 2011 implements a cornerstone commitment of the National Waste Policy, which heralded a new, coherent, efficient and environmentally responsible approach to waste management in Australia. The policy, which was endorsed by the Council of Australian Governments in 2010, committed to establishing a national framework, underpinned by Commonwealth legislation, to support voluntary, co-regulatory and mandatory product stewardship schemes. Product stewardship involves shared responsibility for reducing the environmental, health and safety impacts of manufactured goods and materials across the life of a product.

Waste in Australia is growing. In the four years to 2007, the amount of waste generated grew by nearly a third, to around 44 million tonnes, which is the equivalent of over 2,000 kilograms for each Australian each year. Over the same period, the amount of hazardous waste has doubled. Even if the current recycling level of about 52 per cent is maintained, this trend could result in an almost threefold increase in the waste generated over the coming decade.

The nature of waste is also changing. The waste stream today is markedly different from 50 years ago when motor vehicles, refrigerators and televisions were less common, and home computers, mobile phones and compact fluorescent lamps did not exist. Today's goods are increasingly complex, and not only contain materials that can be re-used but also contain hazardous substances. As a result of their increasingly short product life, these goods now comprise a significant and growing component of the waste stream. At end of life, these products are placing a disproportionate burden on the general community rather than on those who use them or benefit from their use. Sharing responsibility is central to product stewardship.

Australia—as a responsible global citizen—is party to a number of international conventions, including the Basel convention and the Stockholm convention, which seek to reduce and manage waste and hazardous substances, including those substances that are persistent in the environment, toxic and accumulate along the food chain. Product stewardship can play a part as one of the means by which to achieve these goals.
These international obligations do not remain static. Under the Stockholm convention, some flame retardant chemicals present in many products are to be restricted or banned. There is also emerging global agreement on directions to reduce mercury emissions.

Mercury is present in many products. It is also harmful in minute amounts, and long-term, daily exposure above 25 millionths of a gram per cubic metre is considered unsafe. To place in context the importance of responsible end-of-life management of products—over 50 million lamps containing mercury, in particular street lights and commercial lighting, were imported into Australia in 2008 and these contained approximately 600 kilograms of mercury. The Commonwealth is responsible for ensuring that Australia’s international obligations are met and the states and territories have the primary role in the management of waste under the Australian Constitution. This has led to a long history of collaboration by all Australian governments, anchored in the 1992 National Strategy for Ecologically Sustainable Development. This was the first comprehensive domestic approach to waste and committed all Australian governments to improving the use of resources, reducing the impact of waste on the environment and improving the management of hazardous wastes.

The waste sector has also evolved to cover re-use, recovery, treatment and disposal of waste, and increasingly manages waste as a resource. This creates opportunities. Today the waste and recycling sector is valued at between $7 billion and $11 billion and employs a direct labour force of around 30,000.

The regulation impact statement for the National Waste Policy estimated the savings from a national product stewardship approach to be $147 million over 20 years. The regulation impact statement also identified the additional costs of jurisdictions implementing up to five separate product stewardship programs could be up to $212 million.

Product stewardship schemes are in place in many other parts of the world, including in North America, Europe and Asia. Electrical equipment, tyres, mercury lamps, batteries, packaging, chemical products and even cars are covered by such arrangements.

Australia has adopted many individual approaches to product stewardship. The Commonwealth’s Product Stewardship (Oil) Act 2000 covers lubricating oils and its Ozone and Synthetic Greenhouse Gas Management Act 1989 covers the management of ozone-depleting substances and synthetic greenhouse gases. South Australia introduced a mandatory deposit refund scheme on drink containers in 1977 and the Northern Territory has recently passed similar legislation. New South Wales, Victoria and Western Australia also have legislation that can require product stewardship schemes. Used packaging stewardship is covered by a national environment protection measure that has been enacted differently in each jurisdiction since 1998.

A complex mix of rules and regulations applies to products and materials that are sold nationally by companies operating Australia wide. A single piece of legislation that allows for the consistent regulation of products and materials provides a more effective mechanism than an array of individual product legislation at both Commonwealth and state levels.

There is no doubt that many companies wish to do the right thing and are already involved in voluntary product stewardship schemes. Some of these schemes are familiar. DrumMuster recycles used agricultural and veterinary chemical containers and has reformulated products to reduce packaging and waste. Planet Ark takes back printer cartridges, MobileMuster deals
with mobile phones, and more recently Fluorocycle started recycling mercury from commercial lighting.

The states and territories, local government, industry, business associations, the retail sector, environmental groups and the community actively support the National Waste Policy, and a national approach to product stewardship. Extensive consultation has been undertaken over the past two years, with strong levels of participation. To date over 1,000 people have attended some 80 public and bilateral meetings, and there have been around 320 public submissions.

The bill efficiently addresses the need for a simple enduring national approach to product stewardship through a single piece of framework legislation. Three types of product stewardship arrangements will be catered for. Industries and products may be regulated through either a co-regulatory or mandatory approach and voluntary product stewardship schemes can be accredited.

This framework will allow for different products and materials to be covered over time as needs emerge, and for the arrangements to be tailored to suit different circumstances in a changing international, social, environmental and economic context. Importantly there is also a comprehensive suite of checks and balances built into the framework to ensure it is appropriate and transparent.

The bill sets the framework under which products and materials can be regulated and the obligations placed on various parties. It sets out the governance arrangements, the powers of the regulator, and the reporting and audit requirements for organisations delivering product stewardship schemes. It provides the offences and penalties together with the compliance and enforcement powers.

For a product to be covered it must further the objects of the legislation, which are an expression of the aims and principles of the National Waste Policy and its product stewardship strategy. The product must also satisfy specified criteria, including whether the product is in a national market. As each product, material and industry is unique, the regulations will set out the details of what is to be regulated and the actions to be taken.

The actions required in the regulations may include the need to avoid, reduce or eliminate waste from products. There may be a requirement to reduce hazardous substances or to manage the waste as a resource. Importantly, there may be the obligation to ensure that products or waste from products is reused, recycled, recovered, treated or disposed of in a safe, scientific and environmentally sound way.

The intent of the voluntary element is to encourage product stewardship without the need for regulation and to provide the community with more certainty, through the use of a logo, that accredited schemes actually achieve what they claim. In particular, product stewardship organisations that are accredited will meet specific reporting and audit requirements, which will provide for both transparency and accountability.

Co-regulatory product stewardship schemes will be delivered by industry with only outcomes and basic operational requirements specified in regulation. A company will not be able to benefit from refusing to participate, so there will be no free-riders. Thresholds may be applied to avoid impacts on small business.
Mandatory product stewardship would set obligations for parties to take certain actions in relation to a product. The bill provides a comprehensive set of product stewardship requirements that can be drawn upon for that purpose. These include the ability to require labelling, to require producers to take products back at the end of life for recycling or to require a deposit and refund be applied to a product. These requirements are based on those already in use, such as those in the Ozone Protection and Synthetic Greenhouse Gas Management Act 1989.

There will be a rigorous transparent assessment and consultation process before a decision to make regulations on a product. This will follow the Australian government's regulatory impact analysis requirements. Through the Environment Protection and Heritage Council all governments have agreed that a national television and computer product stewardship scheme should be the first to be regulated under this product stewardship framework legislation. The decision regulation impact statement published in 2009 showed that a national television and computer product stewardship scheme would provide a net benefit to society in the range of $517 million to $742 million over the period 2008-09 to 2030-31.

Industry, jurisdictions and the community have sought national regulation for end of life televisions and computers for more than a decade. Around 32 million new television and computer products were sold in Australia in 2008, with an estimated 16.8 million units reaching end of life in the same year. Only 10 per cent are recycled, which is well below the average rate of recycling for all waste of 52 per cent. The volume of television and computer products reaching end of life is expected to grow to 44 million per year by 2028. This electronic waste is classified as hazardous waste under the Basel Convention.

The decision by all governments and industry to deliver this scheme is an important step towards sustainable management of electronic waste in Australia. This Product Stewardship Bill demonstrates the willingness of business, community and government to share responsibility for reducing the environmental impacts of products throughout their lives and will make a major contribution to achieving a more sustainable Australia.

Mr HUNT (Flinders) (10:18): It gives me great pleasure to support the Product Stewardship Bill 2011. This bill in its most practical terms is about giving Australia and Australians a way forward for the recycling of television and computer waste, an area in which the waste stream is growing. It is about protecting both the health and the environment for future generations of Australians.

A division having been called in the House of Representatives—

Sitting suspended from 10:19 to 10:34

Mr HUNT: This bill has its origins, in many ways, in what happened in the 1950s in the town of Minamata on the southern Japanese island of Kyushu. The situation was that the Chisso Corporation, set up in the 1930s, had been producing material and chemicals which were used in the production of plastics. One of the by-products was mercury. That mercury was allowed to leak into and be dumped into Minamata Bay. Over time, that mercury found its way into the food chain. In particular, it found its way into the shellfish, the crustaceans and the general fish community. It was ingested. The early 1950s saw what was sometimes known as the drunken cat syndrome, where small animals began to suffer and lost their motor coordination. Progressively this fed into the situation faced by the people of Minamata. It was
an early warning sign in the postwar period of the danger, the impact, the hazard of heavy metal poisoning on the human population.

The Minamata story was slow to occur and it was slow to be recognised. But what occurred in Minamata and what occurred through the negligence of the Chisso Corporation was a message that progressively made its way around the world—the message being that we have responsibility for the stewardship of our products and we have responsibility for the by-products and consequences which flow from our products. Against that background of the Minamata disease, as it was known, and the profound impact it had on the people and the life of the fishing community of Minamata, we now come to the situation where product stewardship is a legitimate, important national responsibility for Australia in the 21st century.

Let me make this point about bipartisanship in environmental affairs. There are points of disagreement but there are also significant areas of agreement. Currently, the opposition and the government are engaged in three major areas of cooperative activity. Firstly, there is this product stewardship legislation. Secondly, we have recently provided support for the government's revised vehicle emissions standards. That is an important direct action measure which the government has taken and to which we have given our support. Thirdly, we have also accepted—although we have some concerns about the way in which it was done—the changes to the fringe benefits tax to prevent the ludicrous situation of people driving enormous distances immediately prior to the cut-off date for the annual calculation of kilometres, thereby increasing emissions, fuel usage and waste in our society. These changes will end the windfall gain to be received by driving further, although we do have some concerns about the impact on legitimate, proper activities of tradespeople and people involved in travelling sales.

Having said that, these three examples of product stewardship, emission standards and fringe benefits tax reform are all examples of cooperative action. Where we disagree, it is not disagreement for the sake of it but disagreement on the basis of an alternative principle—a concern either about the structure or the implementation. In the same way that, right from the outset, we identified the home insulation program as a potential, an emerging and finally an actual disaster—on each occasion eliciting a denial by the government that such a problem either would be faced or was actually being faced—we now place our concerns on the record about using a massive electricity, petrol, gas and grocery tax as the means to reduce Australian emissions.

Against that preliminary discussion, I will deal with this bill in four brief stages—firstly, the nature of the bill; secondly, the background; thirdly, the principle; and, finally, the detail. The Product Stewardship Bill 2011 establishes a national framework to support voluntary, co-regulatory and regulatory product stewardship and extended producer responsibility schemes to provide for the impacts of a product being responsibly managed during and at the end of its life. This bill is about providing a structure for whole-of-life management of consumer products and the components contained within them. Very simply, it is about making sure that in the 21st century there are no more Minamatas and that we do not face the Rachel Carson Silent Spring examples which she so courageously raised. She was one of the harbingers of the modern concern for environmental management, and she paid a difficult price at the time. She opened up consciousness about taking responsibility for that which we produce and therefore for the consequences of those products.
Having established the bill's purpose, I turn to the background to the bill itself. The commitment to establish the framework goes back a long way, through the Council of Australian Governments and in particular the Environment Protection and Heritage Council. There was discussion of the principle in November 2009 but I know discussions go back to previous years. I was involved myself in a discussion in Christchurch some years ago, on behalf of the Australian government, with the New Zealand government and the Australian states. There is a long heritage of bipartisan support for the concept and the direction, and I am pleased that we have been able to work with the government to achieve appropriate changes and amendments which will allow for a joint approach.

That brings me to the specific principle of the bill. The coalition fully supports the principle of product stewardship. This is the notion of shared responsibility for reducing the environmental health and safety footprint of manufactured goods and materials across the lifecycle of a product. That is drawn directly from the National Waste Policy. We support that concept; it is about doing things in a correct and appropriate fashion that will not inadvertently drive up the cost of living for Australians but will deal with the problem directly, head-on and in a way which can solve the problem at source. In particular, the coalition also supports the notion of voluntary schemes. Voluntary product stewardship schemes as set out in part 2 of the bill which sit alongside co-regulatory and mandatory product stewardship schemes offer a very prospective way forward.

I now turn to the detail of the bill. I praise the work of coalition members Senator Simon Birmingham and Senator Mary Jo Fisher, both of whom have worked with the government. In particular, the coalition worked with Senator Don Farrell on a series of amendments. The result of those amendments is that there are now three very specific criteria for developing and recognising schemes for accreditation under this bill. The first element is that the system be focused very much on containing hazardous waste substances, the second element is that there be a clear test on the potential to significantly increase the conservation of materials used in the products or increase the recovery of resources from waste from the products, and the third element is that there be the potential to significantly reduce the impact that the products or substances in the products have on the environment or on the health or safety of human beings. The origins of the last element can be traced back not just to Minamata but to some of the tragedies we saw through industrialisation in the 19th century.

Having worked on these amendments, we are pleased to adopt a bipartisan position and to support this bill. On behalf of the opposition, I am delighted to commend the Product Stewardship Bill 2011 to the House and to the Australian public.

Ms RISHWORTH (Kingston) (10:44): I am very pleased to rise today in support of the Product Stewardship Bill 2011 because I do think this is a very important bill. While it is not one which draws the most amount of attention, I think it is a very good piece of legislation that really does work with local areas to make sure that we recycle and reuse Australia's waste properly.

Australia remains the second highest producer of waste per person in the world. The magnitude of Australia's waste stream has reached such a point that, in the four years to 2007, the amount of waste generated in Australia rose by 31 per cent, equating to approximately 2,000 kilograms for every Australian every year. Furthermore, over this same time frame, hazardous waste has doubled in Australia. However, these figures were recorded over a
period when Australia's resource recovery from waste had also increased to 22.7 million tonnes or approximately 52 per cent. That is to say that despite increased action in the recovery of waste, Australia's production of waste is still growing each year. This comparison illustrates how significant work targeted at reducing the impact of Australia's waste is being negatively offset by the gradual increase in waste generated. In doing so it also highlights the significance of the bill before the House today.

The Product Stewardship Bill facilitates two important roles. Firstly, it implements a commitment to the National Waste Policy by establishing a national framework underpinned by legislative support; this means government-supported action on waste management. Secondly, it seeks to combat Australia's problem of increasing waste generation by extending the responsibility for reducing the environmental, health and safety impacts of manufactured goods and materials across the entire lifecycle of a product. The National Waste Policy announced in 2009 heralds a new, coherent, efficient and environmentally responsible approach to the management of waste in Australia. I think this is important because we do have many organisations that are out there working very hard; organisations such as Keep Australia Beautiful have done a lot of work. So it is important that we tie together these communities under a national framework. The policy has been fully endorsed by all Australian governments, through both the Environment Protection and Heritage Council and the Council of Australian Governments.

The key aims of the National Waste Policy are to significantly improve Australia's management of waste and to achieve an overall reduction in waste. Product stewardship effectively facilitates these aims by providing industry, communities and governments with a consistent national approach to the management of certain products. It engages with those involved in the production, supply and use of products to share the responsibility for the environmental impact throughout a product's life from its production through to its disposal. Product stewardship provides a basis for either voluntary, co-regulated or mandated actions to be taken by manufacturers, importers, distributors and others with regard to avoiding the generation of waste, reducing or eliminating the amount of waste from products to be disposed of, reducing or eliminating hazardous substances in products and waste from products, managing waste from products and resources and ensuring that products and waste from products are treated, disposed of, recovered, recycled and reused in a safe, scientific and environmentally sound way.

The bill provides a basis for voluntary product stewardship as an avenue for encouraging and recognising unregulated industry action. It provides for the use of a Commonwealth product stewardship logo, which will encourage industry to bring forward voluntary arrangements and will provide a means through which consumers may identify accredited products.

It also provides a basis for a co-regulated approach to product stewardship, which involves a combination of government regulation and industry action. The co-regulated approach will provide industry with flexibility in how they achieve their minimum outcomes and operational requirements. It may also be applied in situations where a substantial part of an industry wants to take action but is concerned about the remainder of the industry freely benefiting from their efforts.
Finally, product stewardship will provide the basis to establish mandatory product stewardship schemes. Such schemes could require that specified actions be taken with regard to the reuse, recycling, treatment or disposal of particular products, or even prohibit the manufacture or importing of products deemed to contain hazardous substances. Australia's waste is not only growing but its nature is also rapidly changing. Today televisions, computers, mobile phones and fluorescent lamps are consumed in mass amounts. Goods are becoming increasingly complex and now contain materials that cannot be reused and are potentially hazardous. Furthermore, these particular products have their expected longevity drastically reduced and, therefore, greatly contribute to Australia's waste stream. I have to say I experienced this very recently when I purchased a DVD player which was very cheap. It broke down within, perhaps, about three months, so I took it back for repair. They said that it was much cheaper to buy a new product and that it was not something that you repair, you just buy a new one. These things are only meant to last for about a year. It is important to note that these products are becoming a problem. The short-life products are now placing a disproportionate burden on the general community rather than solely on those who benefit from their use. Product stewardship rebalances this burden by placing responsibility across the manufacture, consumption and disposal chain.

Product stewardship programs are already in place in many other parts of the world such as Europe and Asia where it applies to electrical equipment, packaging, batteries and chemical products. Australia also has many individual instances of product stewardship. For example, South Australia introduced a mandatory deposit refund scheme on drink containers in 1977, and a similar scheme is now being implemented in the Northern Territory.

The current existence of differing rules and regulations that apply to products sold in Australia is both unnecessary and inefficient. Attempts to reduce Australia's waste will benefit greatly from a consistent piece of legislation governing the manufacture of products and materials. A national approach to product stewardship also has a huge financial advantage over state based regulations.

The scheme will be very important, and it will be rolled out in Australia over a five-year period by the television and computer industry, who fully support the scheme. The product stewardship scheme, as part of the national waste scheme, is the result of extensive stakeholder and community consultation. It has been endorsed, as I said, by all Australian governments and has received broad support from business and industry communities.

I believe this is landmark legislation and I take this opportunity to congratulate the Parliamentary Secretary for Sustainability and Urban Water for the work that he has done on this in bringing it to the House. I am pleased to hear that the opposition will support this bill because it is a very important bill. Usually they oppose, but they are going to support this bill and I certainly welcome that. I commend the bill to the House.

Mr BRADBURY (Lindsay—Parliamentary Secretary to the Treasurer) (10:53): I take this opportunity to thank the honourable members for Flinders and Kingston for their contributions to the debate on the Product Stewardship Bill 2011. The bill will put in place a more effective and consistent approach to reducing the impact of products and hazardous substances in products on the environment and on human health. The bill follows significant consultation starting in 2009 with the National Waste Policy. That policy, which was
endorsed by Commonwealth, state and territory governments, committed to national product stewardship legislation. This bill meets that commitment. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

**Higher Education Support Amendment (No. 1) Bill 2011**

**Second Reading**

*Ms KATE ELLIS* (Adelaide—Minister for Employment Participation and Childcare and Minister for the Status of Women) (10:54): I present the explanatory memorandum to this bill and I move:

That this bill be now read a second time.

The bill will introduce a number of streamlining measures to the Higher Education Support Act 2003 (the Act) to improve the efficiency, effectiveness and to maintain the ongoing integrity of the government's income contingent loan programs for the higher education and vocational education and training (VET) sectors, namely FEE-HELP and VET FEE-HELP respectively. It is now apparent that some aspects of these programs require refinement to reflect current higher education and VET sector arrangements.

The bill will also ensure consistency with other Commonwealth regulatory frameworks including the proposed National VET Regulator expected to be established by April 2011. Furthermore, the bill will better position the government to implement its 2010 budget measures announced in the Skills for Sustainable Growth Strategy, in particular, its commitment to a National Entitlement to a Quality Training Place by 1 July 2011.

FEE-HELP is available to eligible full-fee-paying higher education students and VET FEE-HELP is available to eligible full-fee-paying and certain state government subsidised VET students studying in higher level education or training, and provides a loan for all or part of a student's tuition costs. This assistance is aimed at encouraging students to take up higher education and higher level skill qualifications by reducing the financial barriers associated with study.

The bill is aimed at ensuring quality education providers can apply for and be approved as providers under the act to be able to offer FEE-HELP and VET FEE-HELP assistance. The changes will simplify administrative requirements delivering efficiencies to both providers and the Commonwealth, to improve the Commonwealth's ability to manage provider risk, to increase the rate of provider approval, and therefore increase the number of students able to access income contingent loans through quality providers in both the higher education and VET sectors.

I commend the bill to the House.

*Ms LEY* (Farrer) (10:57): I rise today to speak on the Higher Education Support Amendment (No. 1) Bill 2011. This bill seeks to ensure that quality education providers are able to apply and receive approval to offer FEE-HELP and VET FEE-HELP assistance to students. The coalition supports the bill.

Australia's future economic prosperity will be largely dependent on access to a highly skilled, productive workforce. As a nation we need to deepen and broaden our skills base if
we are to be well placed to compete at a global level. We need to boost participation and ensure that our workers are appropriately trained so that we do not risk having economic growth constrained by lack of qualified staff. We need to ensure that we utilise the VET sector as best we can in addressing these future needs.

Skills Australia has undertaken considerable research into future employment scenarios for Australia. The highest growth scenario based on current policy settings would see Australia needing an additional 2.4 million people in the workforce with qualifications at Certificate III and higher by 2015. Under the former coalition government income contingent loans were extended to the VET sector in 2007, enabling provision of student loans for diploma, advanced diploma, graduate certificate and graduate diploma courses. This followed on from the provision of FEE-HELP to domestic students who chose to undertake non-Commonwealth funded courses at universities and approved private providers. This was to ensure that students wishing to pursue a vocation were provided with financial assistance similar to that on offer to university students through the HECS scheme, ensuring that prospective students would be able to access VET education without having to pay upfront. This system previously made it difficult for students who had financial constraints to access VET opportunities. Income contingent loans enhance accessibility to study for many Australians who may otherwise be precluded due to financial circumstances. Often the only thing preventing young Australians from following the employment pathway of their choosing is their ability to fund their study or to support themselves while studying. The 2010 report by the Foundation for Young Australians, *How young people are faring*, reported that 246,000 teenagers are currently not in full-time work or education. If we can make VET courses a financial reality for these young people, we may be able to prevent another generation of disengaged and disenfranchised Australians. Particularly given the rampant skills shortages facing Australia today, it is more important than ever that young Australians are able to access vocational qualifications that lead to sustainable employment opportunities. Many VET qualifications address the skill and demand, and it is critical that students are given every opportunity to undertake these courses.

Regrettably, too few Australians have been able to access VET FEE-HELP to date. The most recent data available from the Department of Education, Employment and Workplace Relations show that in 2009 only 5,262 students had income contingent loans with only 50 institutions approved to offer it. This bill seeks to increase access to VET FEE-HELP loans by enabling more providers to become approved institutions and to ensure that students who may otherwise be unable to study a VET course are in fact able to do so. Many of these courses target areas of real skills shortages. Given the current skills crisis facing this country, it is critical that we assist young Australians, enabling them to gain skills and career opportunities. Looking forward, we will need many more people with foundation and higher level skills. Skills Australia in their discussion paper, *Creating a future direction for Australian vocational education and training*, identified that over the last five years enrolment growth in the VET sector has only averaged less than one per cent a year.

Under the proposed new requirements, the minister will specify by legislative instrument the criteria that must be taken into account in deciding whether a body is fit and proper before their body may be approved as either a higher education provider or a VET provider. This provides a safeguard to protect against those providers who unfortunately bring the sector into
disrepute. It will hopefully go some way to boosting public confidence in a sector that has been damaged in recent years by a number of unethical providers offering substandard qualifications. By simplifying the administrative requirements for providers whilst managing the Commonwealth's ability to manage provider risk, a greater number of providers will be deemed eligible to offer loans and more students will benefit from this access to income contingent loans through FEE-HELP and VET FEE-HELP. This is about more than just ensuring that VET students are afforded the same opportunities for funding assistance as those following a tertiary pathway. The coalition is intent on reiterating that a vocational qualification holds the same importance as a tertiary parchment and that VET qualifications will increasingly be in demand. I commend the bill to the House.

Mr CRAIG THOMSON (Dobell) (11:03): The Australian government recognises that for some people the payment of an upfront tuition fee for higher education and VET courses is a barrier to study. The FEE-HELP and VET FEE-HELP are available to assist eligible full-fee-paying students with their tuition fees. VET FEE-HELP is part of the Higher Education Loan Program and is an extension of the higher education student loan scheme, FEE-HELP. The amendments will ensure that a higher education or VET provider is a fit and proper body before they are approved; therefore, ensuring the integrity of these programs. The proposed amendments will be broadly consistent with the Education Services for Overseas Students Act 2000, following the recommendations of the Beard review of the proposed regulator. Requirements will be developed for inclusion in legislative instruments made under the act and where possible streamlining the use of existing Commonwealth regulatory frameworks. The amendments will allow the minister to qualify approvals of higher education or VET providers by imposing conditions on providers and specifying these conditions in the notice of approval. The minister will be able to vary or remove conditions which have been imposed. Placing conditions on the approval and continued approval of a body corporate as a VET or higher education provider will allow the minister the power to approve a body corporate as a VET or higher education provider while imposing conditions to better manage the risks that may be associated with that particular organisation. If these conditions are breached, approvals could be suspended and/or revoked. The amendments will allow the minister the discretion to approve a higher education or VET provider where the body's principal purpose may not be education, as long as its purpose does not conflict with its purpose to provide education. This would allow education providers that are dual or multi-purpose organisations to be approved as a higher education or VET providers without significantly diminishing the quality requirements of the educational provision.

The technical amendments will correct an omission in the current provisions by requiring the minister to give notice to higher education or VET providers before issuing an intention to suspend a provider's approval. They will also allow the minister a reasonable period of time between issuing a higher education or VET provider a notice of suspension and making a decision regarding revocation of provider approval. This provides the minister with more time to investigate possible breaches and make an informed decision.

In more detail, the bill contains four proposed amendments to the HESA to improve the administrative efficiency and effectiveness of the government's income contingency loans, FEE-HELP and VET FEE-HELP. The amendments will introduce a fit and proper person requirement to ensure that applicants are fit and proper for that purpose. This will ensure that
senior officers and directors, or persons who are in a position of influence in terms of the management of the applicant, must demonstrate that they are fit and proper persons to be approved as a VET or higher education provider.

This is important legislation. It is part of what this government has been doing more broadly in relation to higher education. When we came to government in 2007 we found higher education in a pretty sorry state. While the rest of the OECD had been providing increased funding in relation to the higher education sector, what we found in Australia was something that was vastly different. We found that we were actually going backwards in terms of the contribution to higher education, ranking as last in the OECD in terms of investments in higher education. This is also reflected if one looks at the number of people who have bachelor degrees or higher in Australia, running at around 29 per cent—compared to the UK, which is over 40 per cent, or to Ireland, which is over 55 per cent. We simply were not investing enough in higher education and VET.

This government has taken a very positive decision that we need to look at a wide-ranging series of reforms. But we also need to be investing dollars and cents into this area so that we can upskill the Australian community so that the capacity constraints that the Reserve Bank Governor warned the previous government about on over 20 occasions can be addressed. We are about making sure that we have a smarter workforce, a workforce that can improve the productivity of this nation, and the best way of doing that is through investment in education, investment in human capital. It is an area that the previous government chose totally to neglect, to walk away from.

The previous government's major contribution to higher education was to try and tie funding for universities to Work Choices. A condition of funding under the previous government was that, if you did not offer statutory individual contracts to every employee—if you did not offer an AWA—then you were not going to get your funding. When we look at the record of the previous government and what they wanted to do in terms of higher education, we find that they did two things: they cut the amount of funding that was there and they chose to tie the amount of funding that they actually got in higher education to Work Choices. You would have thought they would have learnt the lesson in relation to this and they would be there saying: 'Look, the government's doing a great job in terms of higher education. This government is providing opportunities for Australians to upskill, for Australians to contribute more greatly to the economy. This government is making sure that conditions of workers are not being affected.' But, no, we do not get that at all from the opposition. What we get from the opposition is a re-run of the mistakes of last 10 years. It is because ripping off workers is absolutely in their DNA. Look at the O'Farrell government that has just come in. The first thing it has done is attack public sector workers. It attacked them straight away by trying to take away their conditions, taking away the conditions of nurses and firefighters. It is an absolute disgrace that an incoming government chooses to pick on these vital public service areas when what they should be doing is supporting this government's reforms in higher education, of which this bill is an important part, and making sure that we can make the changes needed in education so that we can develop the economy. But, no: we have an opposition that is all opposition and no substance; it has no policy whatsoever.

Mr Hawke interjecting—
The DEPUTY SPEAKER (Mr S Sidebottom): The member for Mitchell may not speak soon if he continues in that vein. Please, let us have some courtesy from both sides.

Mr CRAIG THOMSON: Thank you, Mr Deputy Speaker. The whining from the other side does not disturb me in the slightest.

The DEPUTY SPEAKER: It disturbs me so, if you do not mind, let us get back to the legislation.

Mr CRAIG THOMSON: The contribution that we are seeing from those opposite is pretty much the contribution we see generally in relation to their policy issues in this place or anywhere else—that is, we will have a whine, we will have a bit of a whinge, we will oppose what the government wants to do because we do not really have any policies ourselves. This is important legislation because it is about making sure that there are more opportunities for students who want to get into higher education and making sure that they have other means of meeting the fees.

I would like to spend a few minutes talking about the university campus I have in my electorate, which is the Central Coast campus of the University of Newcastle. This legislation is particularly important to it because it is a campus that incorporates a community college, a TAFE and a university. It was a Labor government that made sure that we had a campus there. If it were not for the good work of my predecessor Michael Lee and the very strong representation he put, we would not have seen that university campus on the Central Coast at all.

Whilst the national average for people having a bachelor degree or more is 20 per cent, we have less than half that on the Central Coast. By having that university we are giving the opportunity to local kids to go to university. This government has been particularly supportive of the University of Newcastle's Central Coast campus in terms of capital funding for a new library and library extensions and for the health sciences and places in nursing. The sorts of jobs that we have on the Central Coast are the sorts of investments both in human capital and in physical capital that have been made at the Central Coast campus of the University of Newcastle.

It is important that we see the sorts of investments made by this government across the board. As a result of those investments, we are seeing local kids going to a local university and not having to travel down to Sydney—a round trip of four hours which often sees local kids dropping out of university or TAFE because it is simply too much to expect with the pressure of university. We have seen much higher levels of young people going to our campus, finishing their degrees and being available to meet the requirements that modern employers are seeking from their workforce now: a more educated workforce and a more technically savvy workforce. That is why this legislation and this government's program in relation to education, investment in early childhood right through to higher education, is so important.

We are at 4.9 per cent unemployment at the moment, and predicted to go to 4.5 per cent. If we do not have this investment in higher education and education generally, the effect will be that our economy will face impediments in labour supply but also, more importantly, in productivity. This is not news, because this is what the Reserve Bank governor was telling those opposite for years and years. But they just did the lazy thing; they watched the money
roll in from the mining boom mark 1 and did nothing. They did nothing in terms of the structural reform that was required in higher education and did nothing to make sure the labour market was going to be skilled properly to meet the challenges of the 21st century. The previous government chose to do nothing on those issues.

This government is about making sure we make that investment in education. We are making the investment for a number of reasons: firstly, because making sure people get opportunities equally around Australia—and this bill will make sure there are opportunities to get into a university and VET—is the right thing to do; and, secondly, because of the economy. By investing in human capital in this area we are providing the leverages for the economy to continue to grow in the areas that we will be most competitive in in the future.

That is just one part of the legislation. It is part of this government's suite of reforms. It is fixing up the 11 years of neglect and making sure that higher education and education generally get a fair go. I commend this bill to the House.

Mr HAWKE (Mitchell) (11:16): I rise to speak on the Higher Education Support Amendment (No. 1) Bill 2011. When the Minister for Employment Participation and Childcare and Minister for the Status of Women was speaking I felt that we had finally begun to make some progress on the matters before us today in this bill, but then when I listened to the member for Dobell's contribution I felt we were going backwards. The minister has finally come to the view, as I knew she inevitably would move away from her student days, that it is appropriate for us to allow private providers and people in the education sector to participate and make a contribution to the education of young Australians. For too long in this country the government has always been the answer to education and there has been the view, simply put, that people ought not to make a contribution to their own education. That is the view of this government and of ministers within this government.

It is good to see that in the provisions of this bill they are expanding the Howard government's approach to education and recognising that people ought to make a contribution to their own education. When you get education you get an economic asset and an improvement in your ability to function in the economy. That is a valuable thing—it is something that has a real return to you as a person and in your career prospects—therefore, you should make a contribution to it. That is why VET FEE-HELP and all the provisions here are meaningful. That is why the Howard government extended VET FEE-HELP to be accessed by people in different institutions in the economy and in society. It has been so successful because education has become one of our bigger export markets—well it was until very recently when we had some troubles and regulatory problems imposed by this government.

Education ought to be a vibrant, functioning part of the private economy as well as a government monopoly. This bill is a good thing because it recognises that. I praise the minister for finally coming to that view. She has shed her student activist days when she opposed all of the things covered in this bill. She has come to the table responsibly and recognised that it is important for us to have a vibrant education sector in terms of education colleges. I think that is a positive development.

Let us look at what this bill intends to do. I think it is good to streamline what is going on in this sector. In that intention I think the government has got it right here. The intention to simplify arrangements for VET providers to ensure quality providers apply for and can offer...
these income contingent loans is a good development. Income contingent loans were offered by the Howard government in 2007 and extended to the vocational education and training sector, which was a good development as well.

Students are required to repay their loan once their income exceeds the minimum repayment level. Again, it is good to say to people: 'You have received an economic contribution from the taxpayer. You ought to make a contribution to your own education because of the added value you get from that education.' It is a worthwhile and smart system to say to people early on: 'As a government, we will use a carrot instead of a stick. We will provide the incentives that enable you to get the education and access to skills that you need to do better and lift yourself economically and socially. You can seek and achieve whatever you want to do with the skills that you learn, but you then must make a contribution to society for that education.' That system has been proven to work.

Regrettably, in Australia too few people have been able to access VET FEE-HELP and that needs to change. It is good, through the provisions of this bill, that it is changing. In 2009 only 5,262 students received income-contingent loans. Of course, there were only 50 registered training organisations available. With the diversity of organisations out there in the economy today offering diplomas or other types of degrees and courses, it is great that we are expanding this system in order to take into account the diversity of this sector.

It has been a great success story for the Australian economy. The education sector is doing very well in spite of what I regard as significant regulatory burdens imposed by state and federal governments. In many cases these regulatory burdens are there for good reasons, but in many cases they are there simply to require further bureaucracy and administration on very fine and worthy institutions that really need to be allowed to get on with the job of providing courses that local and foreign students seek. Of course, that is the subject for another debate.

The minister will specify in this legislation by means of a legislative instrument the criteria that need to be taken into account in deciding whether the management of a registered training organisation is fit and proper before the body may be approved as either a higher education provider or a VET provider. I support that intention in this bill. I urge that it not be so restrictive that it does not recognise the diversity of bodies and courses in the modern Australian economy because we want to encourage diversity and plurality. We should not seek competition between the public and private providers because we want to encourage capital investment in education.

One of the big failings of the Australian economy is that we have not successfully sought the investment of more capital into the provision of education to increase the skills of our population. In America there is a very strong and successful system. We had the member for Dobell talking about Work Choices and how, in order to increase the skills of our population, the government is doing this and that. It is not only up to the government to do things, and that is where the member for Dobell and the minister fail in their intentions. It is not just the role of government. There are many capable, qualified and successful providers of diplomas, degrees and other courses in our economy today and they ought to have the ability to function properly and successfully. So while the government is introducing a bill which enables and extends VET FEE-HELP to more areas in our economy, it also seems that the member for Dobell simply does not understand that we need these things to promote more private capital into education so that we can have more operators and courses to educate people.
I support income-contingent loans because they are the smart approach to government. These loans use a carrot and not a stick by saying, 'We are going to provide incentives at an early stage for you to get educated and get yourself ahead.' This is a good approach to government.

Without labouring the point too much, I support the intentions of this legislation. The loan system that the Howard government extended to the vocational education and training sector in 2007 is working. This is a worthy set of measures to ensure that system is expanded to more sectors of our economy. I am personally encouraged by the minister's contribution today. She is moving away from compulsory unionism and her days of student activism where it was always about the state educating students. She is recognising that we have a vibrant education industry in Australia today that is not just government funded or controlled. We will continue to promote measures that encourage not only the education sector to flourish but also the expansion of fit and proper education providers in our economy.

Dr STONE (Murray) (11:24): The Higher Education Support Amendment (No. 1) Bill 2011 seeks to streamline measures to the Higher Education Support Act 2003 by simplifying administrative arrangements for VET providers and managing provider risk. We need to ensure that quality providers apply for and are able to offer income-contingent loans to students in the form of VET FEE-HELP. This bill is intended to increase access to the VET FEE-HELP, which of course, if you are able to gain this help, removes some of the financial barriers to higher education—I stress 'some' of the barriers.

It is a concern of both this government and the opposition that there seems to be much more potential to increase the numbers of students taking up VET FEE-HELP, and it is a concern for me personally that rural and regional students are under-represented when it comes to undertaking either tertiary education or vocational education and training options. A lot of that, as we know from our research and surveys, is to do with the costs of leaving home to study, so there is not much point in just offering help with fees at your university, TAFE or registered training organisation if in fact you cannot afford to feed yourself or pay the rent when it comes to living away from home to undertake that course.

In 2007, income-contingent loans were extended to the VET sector to ensure that students wishing to pursue a trade or vocation were provided with financial assistance similar to that on offer to university students through the old HECS, the Higher Education Contribution Scheme. The intention of FEE-HELP and VET FEE-HELP was to ensure greater equity between students in the tertiary sector and those studying for a vocational qualification. Why should there be any difference or discrimination between students guiding themselves into those different career pathways? After all, the incomes for those who undertake a trade qualification may be much higher than for those who complete a tertiary degree or postgraduate study. Certainly in our community you cannot argue that one career is of greater value to the economy or the community than another. So it is, I think, very important that we have equity of access to government funded support between those who go into the tertiary sector and those who go into the vocational streams. VET FEE-HELP loans were introduced by the then coalition government, and the coalition has remained and is today strongly supportive of the program.

FEE-HELP is available to eligible full-fee-paying higher education students, and VET FEE-HELP is available to eligible full-fee-paying and certain state-government-subsidised...
VET students who are studying in higher level education or training. It provides a loan for all or part of a student's tuition costs. Under FEE-HELP you can borrow up to the amount of the tuition fee being charged by your provider for your study. However, over your lifetime you can borrow only up to the FEE-HELP limit. Eligible people may borrow up to the FEE-HELP limit to pay tuition fees over their lifetime. In 2011 the FEE-HELP limit was $86,422, unless a person was undertaking medicine, dentistry or veterinary science which led to an initial registration as a medical practitioner, dentist, vet or veterinary surgeon. If they are in those areas of work, the FEE-HELP limit is increased to $108,029, and of course FEE-HELP is indexed on 1 January each year.

VET FEE-HELP is a student loan scheme for the VET sector that is part of the Higher Education Loan Program, or HELP. VET FEE-HELP assists eligible students to undertake certain VET courses of study, diplomas, advanced diplomas, graduate certificates and graduate diploma courses with an approved VET provider by paying all or part of the course. Students are required to repay their loan once their income exceeds the minimum repayment level of $44,911 for 2011.

The problem I alluded to in my opening remarks is that, regrettably, too few students are accessing VET FEE-HELP. DEEWR figures show that in 2009 only 5,262 students received income-contingent loans under the VET FEE-HELP scheme. They are the most recent figures; we do not have figures since 2009, which is in itself a problem, and I have to wonder why we do not have more recent figures. Only 50 registered training organisations, or RTOs—including 20 TAFEs—were eligible to offer their students VET FEE-HELP. Victoria, my home state, had the highest number of approved VET providers at 27, and 18 of those were TAFEs.

Unfortunately, the Northern Territory and Tasmania had no approved VET providers in 2009. This has to be of great concern to the communities of Tasmania and the Northern Territory, where there are skills gaps and enormous shortages of tradesmen and tradeswomen and where the costs of leaving to study elsewhere are very substantial. We need to do detailed work to understand why we have a shortage of RTOs, or indeed TAFEs, in those places. Governments need to consider the circumstances of places like the Northern Territory and Tasmania because the future skills availability in those parts of Australia is a major problem. Given that there is a great deal of unemployment in those areas, as well as skills shortages, we must do better when it comes to assisting students to access these income contingent loans.

In 2009, 5,262 students accessed VET FEE-HELP, as I said, including 78 Indigenous Australian students—just 1.5 per cent. I am very pleased that 78 students with an Indigenous background were able to access this assistance, but clearly there is enormous scope for additional Indigenous students to access trades and vocational education in areas like Northern Australia where their proportion of the population is way above 1.5 per cent. I have to say that 788 students who accessed VET FEE-HELP were from regional and remote areas, only 15 per cent of the total, and there were only 890 students of low socioeconomic status, or 17 per cent. Clearly this potential assistance to students is not being used effectively. We have a long way to go before a student can rule out the cost of their fees being a barrier to them going from their year 12 studies onto a pathway for their preferred career.

The On Track report of 2010—and I am referring here to the Goulburn-Murray Local Learning and Employment Network, or GMLLEN—found that a substantial number of
completers, some 25.1 per cent of year 12 or equivalent completers, were not in education or training. Some 19 per cent of them were employed either full or part time, which left us with a significant number who were looking for work but were unemployed. There was another one per cent not in the labour force, education or training. I find it very sad that at the end of year 12 a significant number of our students are not stepping immediately into a career or into education and training, particularly in rural and regional areas where the costs of living can be substantial and the costs of going to be educated elsewhere are substantial. We have to do better and make sure there is not a two-speed economy—one where, in a metropolitan area, you can access education easily and the costs are diminished because you can live at home, and the other where students may only be two or three hours away from a capital city or a big regional centre, as in my electorate, but where students are constrained and substantially discriminated against when it comes to access to a career through further education and training.

We found deferral of tertiary studies was much more common for VET in Schools participants from rural areas—11.7 per cent compared with 7.1 per cent in metropolitan locations. Why is it that we have almost double the number of students deferring in rural areas compared to metropolitan areas? The answer, again, is pretty simple—it is about costs. I guess the government has been waiting for me to raise the issue of independent youth allowance. This has been one of the biggest problems, compared to any other factor, affecting the capacity of rural and regional students to take up tertiary studies. This also extends into the VET sector, where you do not have big TAFEs offering a range of courses within commuting distance of your home. If you cannot afford the $20,000 or so to live away from home then you simply defer your studies and, despite your offer, try and get work and try and match, if you are in the inner region, the new criteria that this government is insisting upon. But, of course, those new criteria for the inner regions make it impossible for you to gain independent youth allowance.

When you have nearly double the number of students deferring from rural and regional areas, the tragedy is that as each year of deferral goes by the proportion who do take up studies again diminishes drastically. It is a very serious problem right throughout northern Victoria, where we have the lowest rates of enrolment in bachelor degrees, particularly in the Hume region. Only 31 per cent, or less than a third of students, in the Hume region of Victoria are enrolling in bachelor degrees. That is slightly below the Gippsland region at 31.3 per cent.

Compared to any other developed country, I would suggest that, if only less than a third of the population from a rural or regional area only two or three hours from a capital city like Melbourne is enrolling in university courses, we have a serious policy problem. It is a policy problem which should be addressing the costs of having to leave home to study, and this debate we are having today is in part driven by the fact that we have not enough uptake of VET FEE-HELP. Of course, we have had numerous debates in the House and in this committee chamber about the policy failures in relation to independent youth allowance.

A nation is as good as its next generation of skilled people; it is about human capital. If we fail to invest in education—whether it is for a trade, a skilled occupation or a university occupation—and fail to give our students that opportunity then we can expect to fall further and further behind in productivity for our nation and in our competitiveness compared to
those that we try and keep step with in terms of our own domestic economy and in our exporting. While we of course support the administrative changes that this bill is ushering in—after all, as a coalition we were the architects of a program to bring VET students into the mix when it came to fee assistance—we are concerned that not enough students are taking up this option, that there are very limited options for students in the Northern Territory and Tasmania.

I am hugely concerned, as a rural and regional member, at the declining rates of participation in higher education in my local rural population. We have a very serious problem with our own socioeconomic status in northern Victoria. After seven years of drought, a flood and the impacts of government policy in relation to water access, we have families who are getting more and more stressed financially. We need this support for our students to have a chance in a career of choice and in a career which will add to the value and the wealth of the nation.

It is therefore the situation that I support this bill but I condemn this government for not understanding the proper policy initiatives that are needed to do away with the discriminations that currently exist between metropolitan student access and rural student access to higher education and training. We cannot have enormous numbers of deferrals—in fact, double the number of deferrals—for year 12 students when you compare metropolitan and non-metropolitan uptake. I mentioned those figures before. We cannot have the situation where students have to walk away from a training opportunity because their families cannot afford to pay for their being and studying away from home. That is a nation that is squandering the human capital that we depend on for our futures.

Mr SECKER (Barker—Opposition Whip) (11:39): Last week the government had its fifth chance to change the criteria for youth allowance so that all students had a fair chance of furthering their education. Sadly, the government decided to deny regional students that chance to attend university by voting against the coalition's private member's motion on youth allowance criteria.

Dr Stone: Shame!

Mr SECKER: It is a shame, Member for Murray. Unfortunately Labor, the Greens and the Independent MPs, with the exception of the member for Kalgoorlie, voted against this motion. This is very disappointing for the students in the electorates of those members on the other side that are missing out on receiving support to help them reach their full potential. The coalition has been continuously calling on the government to make the criteria fairer for inner regional students. The maps currently used are ridiculous and do not accurately reflect the difficulty students from some areas have in getting to university. In fact, they make it very difficult for some students to actually get to university.

To help members on the other side understand this, in South Australia we have the perfect example in Mt Gambier, which is about 450 kilometres away from Melbourne or Adelaide universities. It is a long way and, unlike their city cousins, there is no way Mt Gambier residents can go from home to university every day. But if you live in Mt Gambier you are treated just like a student in Adelaide or Melbourne. However, if you live outside the town boundaries, you are treated as you were under the old Howard government conditions. This decision makes no sense. It is based not on any educational criteria but on medical criteria relating to the availability of doctors. It has nothing whatsoever to do with education. As a
result of this decision, people living in a reasonably sized city like Mt Gambier, which has 23,000 or 24,000 people, are treated differently from those living outside the town boundaries, even if that boundary lies just across the road.

What we are trying to do is point out to the government, for the fifth time, that they do not understand that people in Mt Gambier are very angry about being treated differently from those who live outside the city itself. If you understood Mt Gambier at all, you would know that outside the town boundaries is still part of the urban area which is in the district council of Grant. There are perhaps up to 20,000 other examples of this ridiculous government decision, but Mt Gambier is easier to understand as it is so clearly a long way from the nearest universities. This government has inadvertently drawn random lines on a map and changed the lives of students across Australia.

Ms Marino: And their families.

Mr SECKER: And their families; that is right, member for Forrest. It is not fair that this government can act so carelessly when students’ futures are at risk. University is a crucial part of life that for many students will decide what path their careers take. The coalition has tried to give a voice to these students that are being treated so unfairly, but the government does not seem to want to listen. We have introduced motions and legislation, we have tabled petitions, we have held roundtables, we have spoken to the media over and over again, but this government is so arrogant that it cannot see the error of its ways.

So we have these two classes of students. Inner regional students are currently forced to find 30 hours of work per week over an 18-month period, and anyone who has an idea about regional communities would know that this work is very difficult to find—30 hours of work per week is a lot for regional communities to support for even a couple of students who are aspiring to head to university, let alone more. Communities such as those in my electorate do not have endless retail outlets and fast food eateries for young people to work in for 30 hours per week. Small businesses are already feeling the Labor pinch; now we want to ask them to supply jobs for 30 hours per week for an 18-month period. It just does not make sense and in most cases is not possible. I have received a huge number of letters, calls and emails from concerned students and parents over the length of this debate because there is a genuine problem that needs to be fixed. The calls are all different but the stories similar: students are very keen to attend university but cannot afford to do it without the support of Youth Allowance. As a representative of a large rural electorate where parents are faced with huge costs to fund their children’s university studies hundreds of kilometres away, often to the tune of, say, $15,000 a year, I remain extremely concerned by the government's arrogant dismissal of the very sincere problems caused by the changes to the support arrangements for rural and regional students. This is an opportunity for the government to stop the inequity and get it fixed. Reasonable students are suffering at the hands of an incompetent government which is denying many students fair access to support.

If the government were committed to youth allowance reform, it would fix the inner regional discrepancy straightaway. It is not a hard call. There is a very simple way to fix it but this government would rather wait until at least January next year before doing something, if that does in fact even happen. During debate on this matter recently, members on the other side suggested that we are ignoring the government’s announcement made a few weeks ago about the increased numbers going to university. Can I say the coalition does not have a
problem with that. We support that, but there is still the problem of the criteria for the so-called inner regional students being based not on educational criteria but on medical criteria. We are trying to address the problem which has been caused by this government.

The government claimed that the number of inner regional students receiving youth allowance increased by 4,250 students or 20 per cent in 12 months. The problem is that the government did not disclose that there are students receiving only a part rate of allowance. The truth is in the detail once again. During Senate estimates, it was revealed that some students could be getting as little as a few dollars a week of dependent youth allowance, compared to the full rate of $388. I would challenge anyone to be able to afford to attend university on a few dollars a week or fortnight. These students have packed up and moved to the city to attend university because obviously they cannot attend on a daily basis—450 kilometres and not too many of them own a private jet, and I do not think we would be giving them youth allowance if they could afford to fly to university. It is an obvious problem. They cannot go to university on a daily basis so they have to move from home and that costs money.

During questioning departmental official Marsha Milliken said it would be a varied mix of students, some receiving the maximum rate and some receiving a part rate. To claim that 4,250 extra students are getting youth allowance—which we would welcome—denies the fact that many of them are on only a very small portion of that allowance. Even more concerning are the government's plans. Senator Evans was recording as saying:

… we are committed to removing those distinctions between the various rural and regional areas, but we’ve also made it clear that there is not an endless bucket of money and I think people need to be aware that does not mean that everyone will move to the outer regional areas.

Basically, this is the government admitting that students will miss out under its watch, even after all this time has elapsed since the government was first made aware of the inner regional discrepancy—some 18 months ago I believe; it might even be closer to two years ago—and they still have not fixed the problem, even after all the pressure from angry students and parents and even after the coalition have reminded the government time after time and week after week that this is just not good enough. This issue is not going to go away.

Members on the other side should realise that promises of reviews and announcements such as those made by Senator Evans in May are nothing more than an attempt to mask the real problems and will not stop the students, the parents and the coalition from calling for this criteria to be changed. This government thinks it is good at trying to sweep things under the carpet but the coalition will not let this one fade. The future of students in our rural electorates is far too important to just let this issue fade. We must not let the government push the matter aside for another six months or a year. Families in rural electorates have to plan for the future. Students have to plan for the future, but they have no prospect of going to university if this problem is not fixed.

Members and senators from the coalition have done a great job of keeping up the pressure on this issue. The member for Sturt, the member for Forrest—and I am sure she will give a great contribution on this topic as she always does—and Senator Nash have been fantastic advocates for this cause. But it is now time for the government members to stand up and show the sort of support for students that this side of the House has displayed. I know that the member for Braddon said there are problems in his electorate, but apparently he is prepared to
wait for this review. I like the member for Braddon. He is a good man. We came to this parliament together and we have done a lot of committee work together. Unlike him, I am not prepared to wait. We have to fix this problem. We have to give the opportunity to rural students to plan for their futures and help their families to plan for their futures. This issue is too important to be swept under the carpet.

We implore the government to recognise the folly of their mistake on this issue. It has been a huge issue and it continues to be a huge issue in my electorate and electorates like mine all around Australia. They have been stymied by a stupid ruling, a stupid line on a map, that is not based on educational criteria or on the ability to go to university. It is based simply on the availability of doctors in a town, not on the ability of students to go to university. As I pointed out, if you live on one side of the street in Mount Gambier, you will be under the new guidelines and be in a regional area. If you live over the road in the township in the District Council of Grant, you are under the old rules, which are much fairer and more consistent with what happens in all communities.

I implore the government to quickly change their mind on this and fix the problem. We all know there is a problem. It should not take a six-month review to fix the problem. For the last 18 months, we have been showing them where the problems are and the government have failed to listen. It is about time that this government listened to the people being affected by this silly ruling and by the silly lines on a map. They are affecting the future of our young people.

Mr CHEESEMAN (Corangamite) (11:52): Today I rise to speak on the Higher Education Support Amendment (No.1) Bill 2011. It gives me enormous pleasure to again be speaking on a higher education matter in this place. The Gillard government has certainly been a reformist government when it comes to education, increasing the opportunities for students to access the higher education system. This bill will provide opportunities for greater efficiency and effectiveness in the government’s VET system. This bill will also better position implementation of the government’s 2010 budget measure, Skills for Sustainable Growth. That is certainly something that I welcome and I know all members from the Labor side welcome this quality provision. The Australian government recognise that for some people the payment of up-front tuition fees for higher education and for VET courses is a barrier to study. I know the member for Deakin has raised this matter often. He is a qualified electrician and has a real passion for, and has taken an interest in, making sure that young people have the opportunity to take up a trade and receive a TAFE education as part of that. I certainly welcome his contribution.

In keeping with the tradition that Labor governments want to improve the access of people to higher education, VET training and the like, we want to lift barriers to participation. These are important provisions to enable that. They build on the FEE-HELP and the VET FEE-HELP that have been put in place to enable people to access TAFE courses and the like. I think these amendments are proper and will enable people to access the very important reform areas that we have put in place.

Requirements will be developed for inclusion in legislative instruments under the act, where possible, for streamlining and for the use of existing Commonwealth regulatory frameworks to apply. The amendments will allow the minister to put in place the necessary approvals for higher education and for VET providers. The minister will be able to vary or
remove conditions which have been imposed in the past. I think placing conditions on approval and continued approval is very important.

I take this opportunity to put on record my continued support for the Gordon, the Geelong TAFE training facility that has, in one way or another, been around since 1887. It has played a very important role in providing training opportunities for young people across Geelong and the western districts. By the nature of my seat, two-thirds of young people that access TAFE training would access that institution with the remainder of people, from the northern part, taking the opportunity to go to the School of Mines in Ballarat, another very old institution. Its roots go back to the gold rush. It has had a very long and proud history of training young people for a very significant period of time in the northern part of my electorate. In the western part, we have the South West Institute of TAFE which was established in the late seventies. It has been providing training opportunities for young people. Whilst it is based in Warrnambool, one of its sites, the Glenormiston College, is only just to the west of my electorate and has been providing educational opportunities, particularly in agriculture, for a very long time. It is something I am very proud of. I know many people in the western district have access to training opportunities in the west.

As I said a little earlier, this Labor government has a very proud record of building opportunities for young people to access TAFE and university education. We continue to put in place the necessary reforms to increase participation to enable universities and TAFE colleges to grow in a sustainable way to provide quality educational outcomes for those students. Course costs have been a barrier for access, and Labor has a very proud record, going back a long time, of putting in place opportunities for young people to be able to go to universities or TAFE and have those costs deferred to a later time when they can afford it. We are about removing barriers and we will continue to work hard to reform our education system to ensure that barriers are removed wherever possible, providing people with an opportunity. As a consequence of that, I commend to this place these bills. As I said earlier, I would like to thank the opposition for their cooperation.

Ms MARINO (Forrest—Opposition Whip) (12:00): The coalition has a strong history of supporting students who are working towards higher education and training. It was the coalition government, in fact, that introduced the extension of income-contingent loans to the vocational education and training sector back in 2007. We saw the need to ensure that all students pursuing a tertiary or vocational education were, through VET FEE-HELP, provided with financial assistance and places in a similar way to the assistance offered to university students. This intent also reflected the value the coalition places on the vocational education sector and the very valuable members of our community who choose vocational pathways to achieve their higher level training. These people will become important contributors to the workforce and the economy, particularly in regional areas. Our commitment to VET FEE-HELP is reflected in our intention to ensure greater equity between students in the tertiary sector and those who study vocational qualifications. As you know, Mr Deputy Speaker, and as members in this chamber know, I feel very strongly about equity of access, specifically when I consider the issues confronting students in rural and regional areas. I will scrutinise the Higher Education Support Amendment (No. 1) Bill 2011 and every other piece of legislation that the government presents from that perspective.
I listened with interest to the previous speaker when he spoke about lifting barriers to participation and increasing participation. All I can say is that I wish the government would apply that rule to the students who have been defined as living in inner regional areas. I wish that the Labor government shared our strong value to ensure that all students have equity of access to financial support with their higher education and training, but we have seen the exact opposite. We have heard today that on at least five occasions the government has had the opportunity to reverse this decision. These are these great young people; these are not just nameless, faceless people who are affected by this decision. I meet them every day and I meet their families every day. They are great young people who live in regional and rural areas. They have no choice but to move away from their home. They not only leave their home but leave their home town, their friends and their families because they are passionate about studying or need to pursue their education or their courses.

Since the 2009 budget, that dark day in May 2009, the Labor government has discriminated quite directly against students from regional and rural areas right around Australia by changing eligibility requirements for independent youth allowance. This was quite deliberate. Effectively the government has decided that students from inner regional areas, for some unknown reason that I cannot fathom in all this time, do not deserve the same access to independent youth allowance as other students. What reason could there possibly be for this? I do not understand this. What on earth have these students and their families done so wrong? What have they done to deserve this treatment from the government? We have been bringing this to the government's attention consistently since 2009. What have they done wrong? These students cannot afford to commute—they physically cannot commute—to tertiary educational institutions, and they have no choice but to move away from home and incur the additional costs of living that go with this. They have no choice. These families are not wealthy, unfortunately. Evidence has shown that the cost of relocating is a massive financial barrier that is preventing regional students from undertaking tertiary study.

The other issue in trying to meet the criteria surrounding the inner regional definition—the 30 hours of work a week for 18 months—means they have to defer for two full years. If you are a young person living on a farm or in a very small community, how do you find 30 hours of work a week for 18 months and where? In these areas, it is seasonal employment for young people with their level of skill. It is extremely difficult, yet they are expected to find 30 hours of work a week for 18 months. That is virtually impossible. No part of my electorate is within practical commuting distance—some are 220 to 250 kilometres away. I constantly receive emails from people affected by this issue. Students currently on their gap year do not know if they are going to qualify and whether they have to work 30 hours a week for 18 months. Where are they going to end up?

One of the most appalling things I have come across is the lack of respect for the families and young people affected by this. I cannot believe the government have treated young people in this way. Families and students have poured their hearts out to the Prime Minister and the government on this issue. I received some information from one of the parents in my electorate and she said: 'What hope have we little people got? The government has no interest or understanding when dealing with the issues facing rural and regional residents.' This parent sent the Prime Minister an email on what is a vitally important issue to that family—whether their child can go to university and whether they had to choose which one can go. Their
email, dated Wednesday, 17 June 2009, did not even get a read receipt—in other words, that someone had clicked on it to open it—until an email from the Prime Minister's office dated Friday, 6 May 2011. How do you think that made that family feel? Yes, they are in a regional area. Yes, they have a number of challenges. Does that mean they are less entitled? No, it does not and it should not if this government was genuine.

As the last speaker said, lift the barriers to participation. The government have had five opportunities since that time to lift the barriers to participation. I even have one young person in my electorate who has had to come back because they could not afford to stay away. The family thought that the legislation we put through this House would have some benefit and that the government would listen. So she began her tertiary education but she had to come back because the family could not support her. And I get families in supermarkets saying to me: 'What do we do? We have to choose which one of our children we can afford to send to tertiary education?' What is my answer, Mr Deputy Speaker? I know you would understand this very well. What do I say to these families? This government must give the answers to these families and do not take two years to provide a read receipt when families write with their heartfelt and genuine representation of where they are at.

I received another email from a lady who stated:

As a very proud parent of a child who has accepted into her chosen course of Occupational Therapy … I am now distressed to be faced with the uncertainty of her eligibility to qualify for youth allowance.

She will not have the opportunity to live at home like her fellow city based peers. We live in Busselton and for her to attend Curtin University she must live in Perth. It is over 250kms and she clearly cannot commute daily.

It will cost us at least $15,000 per year over 4 years before we even start to think about uni fees and books.

Like most country kids, she is taking a Gap Year to try to make as much money as she can … get herself set up … for the costly years ahead.

Obtaining full time or even desirable hours in part time work is proving … difficult in this … seasonal tourist town—

That is a practical indication. She goes on to state:

She has put her Resume to over a dozen resorts for casual cleaning—with one reply offering her occasional casual call in.

She has completed Austswim qualifications and built up to 14 hours per week swimming teaching.

How will she ever meet the 30 hour week employment criteria I ask?

She continues to seek further employment to make up hours, but we wonder how she can … juggle with an assortment of employers.

That is what she is up against. Another parent said:

I have two sons who are now studying at UWA and receive youth allowance and the Commonwealth accommodation scholarship. We live in the country and are not able to financially support our children away from home. My sons would not have the opportunity to study law and engineering without the financial support from the government.

She recognised the real cost of rent, food, clothing, books, computers, internet connection fees, electricity, telephone and travel costs. She said:
If they were able to live at home then many of these costs are covered by a family home including not having to purchase computers for the boys to use away. They have no choice but to move to the city for their study. And we are not financially viable enough to pay for their cost of education and living away from home.

This is a very real issue. If the government is genuinely concerned about offering greater participation it should fix this problem first. This is an ongoing problem and I have extremely desperate young people in my electorate who are just crying out for an opportunity. As we heard earlier, some of the figures that were raised do not reflect the falls in the numbers of young people in those inner regional areas who were not able to access independent youth allowance, and those figures certainly do not reflect some of the minor amounts of youth allowance that some are receiving.

Given that youth allowance is a capped scheme, I was quite concerned when I heard one of the ministers in here recently talking about extending the eligibility for youth allowance to those people who are currently on Newstart or who are 20 to 21 years old and living at home. If that is going to be the case there will be even less money in the system for those who are currently trying to access youth allowance. Unless the government is planning to put further funding into this capped program, I can see some real problems ahead even for those who are currently accessing youth allowance.

We certainly care about higher education opportunities for all regional and rural students, not just the winners and losers we have seen. As I said, on five occasions we have introduced opportunities for the government to change this and it is time that the government did so voluntarily. It should not fall upon the opposition to keep bringing this matter before the parliament. The people have spoken over and over again, and two houses of parliament have agreed to this, but the government persists with it.

The VET FEE-HELP measures will provide important assistance to young people and others right throughout my electorate. There are several education and training options in the region through private providers such as the South West Institute of Technology, the Margaret River Education Campus, with its collaboratively provided Centre of Wine Excellence, and Manea Senior College, which is unique in that it gives students the opportunity to combine their school programs with certificate or university studies by accessing the pathways provided by virtually co-located campuses at Edith Cowan University and the South West Institute of Technology.

There were 116,000 people enrolled in state funded vocational education and training courses in Western Australia last year; however, we know that there are skills shortages. The state government has increased trainees and apprenticeships by 21 per cent and 16 per cent respectively in the past 12 months, which was the highest growth in the nation over the past five years. I note that there were nearly 39,000 apprentices and trainees in training in WA last year. Given that there are $220 billion of resource and infrastructure projects either under construction, committed or under consideration, we need every well-educated, trained and skilled person.

There are indications that WA will need up to 100,000 additional skilled workers by 2017. I want to see as many Western Australians as possible take advantage of these opportunities. I note that the occupations priority list includes auto electricians, diesel mechanics, heavy duty mechanics, fitters, machinists, welders, metal fabricators, sheetmetal workers, plumbers,
tilers, bakers and chefs. Given the challenges facing south-western Western Australia more generally, I hope that the measures included in this bill increase provider approvals and, in practical terms, provide greater accessibility for students to VET FEE-HELP and FEE-HELP. I am aware also that the state minister Peter Collier's top priority is to prepare Western Australians for the workforce by providing training opportunities and I note that the WA state government committed $33.4 million in this year's budget to fund over 12,000 training places—that is, up to 21,000 places over the last three years. We remain committed to ensuring that students pursuing vocational pathways are provided with financial assistance and I support this bill on that basis, but I make a last plea to this government. You really need to fix the inequity of inner regional students and allow equity of access to students from the south-west and other areas right around Australia to independent youth allowance.

**Mr NEUMANN** (Blair) (12:15): I support the Higher Education Support Amendment (No. 1) Bill 2011. Whether it is tertiary education in the vocational education sector, in TAFE or in university, this government is absolutely committed to seeing improvements after the legacy of lethargy from the coalition when they were in government for 11½ years. The previous speaker was talking about university placements and university funding. For her edification and for that of those who may be listing, we are projecting to increase to $13 billion in 2012 the funding for universities. Enrolments next year are projected to be more than half a million places. Contrast that with what came from those opposite when they were in power, $8 billion in 2007, enrolments of 400,000 in 2008, 20 per cent fewer than expected in 2012. That alone is an indication that the university sector is thriving under this government and that more and more students are going into the tertiary sector.

The legislation before the House deals with the streamlining of measures in relation to higher education. According to the explanatory memorandum, it is about improving the effectiveness and the efficiency of the government's income contingent loan programs known as FEE-HELP and VET FEE-HELP; it is about making sure that the regulatory frameworks, including the proposed VET regulator expected to commence in 2011, are brought in; and it is about making sure that our commitment to the budget measures are also carried out. We have a strategy for skilling Australians, a strategy for making sure that those skills result in high-paying jobs, making sure that the economy grows, that our productivity is enhanced and that our economic prosperity is augmented. These are extremely important.

We are committed to a national entitlement to a quality training place for every Australian, should they want one, by 1 July 2011. We have committed $558 million to tailored quality training places through our National Workforce Development Fund and we have a really ambitious program in the area of vocational education and training partnering with states and territories, a $1.75 billion commitment. We want to boost participation. We want to reward work and get people off welfare and into work, to make sure their family's financial security is enhanced and their opportunities and potential are realised. We emphasise increased funding and increased help for the tertiary sector, whether it is in TAFE or university.

The bill is about providing flexibility in terms of the principal purpose requirement for the recognition of bodies corporate as higher educational VET providers. It is also about reducing the risk of undesirable providers through the introduction of a fit and proper person test for the management of the personnel of those boards and the introduction of conditions of their recognition. We are going to make sure that education providers, whether they are universities

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**MAIN COMMITTEE**
or anyone involved in vocational education, also have appropriate education standards. The people running those institutions are fit and proper. They are people of integrity. The bodies are made up of people who are ethical. We want to make sure that the higher educational sector, while it is very diverse in size, scope and nature, is full of institutions that achieve good outcomes for students. We do not want dodgy degrees or dicky diplomas. We want to make sure that whatever the person undertakes when they are at TAFE or university, that qualification is recognised internationally and domestically. We want to make sure that the focus at TAFE and university is about the student; their learning experience, their educational outcome and equipping them for the workplace—equipping them for the challenges of changing jobs and making sure that they have not just a ticket, a diploma or a degree but the skills necessary to carry out the work they have been employed to do, whether it is in the mines, the retail sector, the construction industry or whatever they want to do. We want to make sure that providers of education are fair dinkum about providing that degree and that students do not pay their dollars for something that will not give them the qualifications or the recognition domestically and internationally.

There has been a really big growth in the tertiary sector and it is a very big employer; it is a very big source of income for the Australian economy. With the growth in the international education sector, sadly, have come some immoral and unethical practices. We have seen that, and it is recognised throughout the community and the country. We want to ensure that those people involved have good regulation and that those who participate and work in the sector will work for ethical and moral institutions.

One really fantastic institution in the TAFE sector in my electorate is the Bremer Institute of TAFE, which has been operating for about 100 years. A perfect example of the contribution of this federal Labor government and the commitment to TAFE in my community is the $2 million that we have put in for capital infrastructure in our area. It is a perfect example of being hand-in-glove with good regulation and more money—you cannot have one without the other. The good regulation in this legislation comes with increased funding in the budget and in what we have seen in terms of on-the-ground assistance to TAFE. For example, the machinery shop which trains workers and apprentices in mechanical engineering and manufacturing in my home city of Ipswich at the Bremer Institute of TAFE has been improved dramatically by our additional funding. That is an institution governed by the regulatory framework that we have talked about in this legislation. That institute, based in Bundamba in my electorate, has over 15,000 students enrolled in the Western Corridor from Brisbane to Ipswich and beyond. It has a student satisfaction rating of 89 per cent, which is pretty high, and employment outcomes for graduates of the Bremer Institute of TAFE are 74 per cent. That is a good outcome, because not every degree, diploma or qualification is geared towards employment outcomes. Some of these courses are in English as a second language, and some are about enhancing people's capacities or improving their self-esteem, as well as other types of courses which do eventually lead to employment.

That institute is not one of the dodgy ones; this is one of the good ones. It is a publicly owned entity, it is government backed, it offers stability and continuity, it has been there for about 100 years and there are rewards after rewards that people can have by attending there. There are also awards and awards that that institution has received. The institution has helped people in my area and it has helped businesses in the Ipswich and West Moreton region to
achieve their potential. It is based in Ipswich in South-East Queensland and is registered to deliver over 250 programs from Certificate I to associate diploma level. That is a good institution. It is tried and true. For 100 years it has been operating, and I think that is a fantastic testimony to a body that is enhanced by capital infrastructure and good oversight.

We have heard members opposite and I heard the previous speaker talking about assistance to regional and rural students. I have an electorate that is based on Ipswich in the Somerset region and we have many students who travel from country areas to Ipswich. They actually go down to an area that used to be in my electorate but is now in the Lockyer Valley—the University of Queensland Gatton campus. They travel down there to learn about animal husbandry and veterinary science and, let me tell you, I know that it is now in the electorate of Wright, but this federal Labor government put in $47 million to help it relocate from Brisbane and its disparate locations to where it always should have been, the University of Queensland Gatton campus, the School of Veterinary Science. It is worth millions of dollars to the Lockyer Valley. The coalition never did it. They did not have the wit or wisdom to do it. It took a federal Labor government to do it in a regional and rural area in South-East Queensland. So we have got record investments in higher education.

The previous speaker had the temerity to say that what we did for allowances and support for universities and students was not achieving what we said it did, that in fact it was detrimental. Let me give you a couple of facts. I feel compelled to stand up for the local universities in my area and the local students and put a few facts on the table. It is a fact that we have had 837 local students receiving the Student Start-up Scholarship. We have also had relocation scholarship payments provided to 138 local students. We have had 625 young people benefit from the changes that we made to qualification for assistance for regional and rural students to get to university. Six hundred and twenty-five young people have benefited from the changes by now receiving the maximum payment of youth allowance, or a higher rate of youth allowance, or even a payment of youth allowance for the first time. Investment in regional universities has also increased with the government funding 10 per cent more student places since 2009.

There are interesting facts here which the previous speaker might like to know. This is the latest analysis from the Department of Education, Employment and Workplace Relations, and it was released on 1 June 2011. In just 12 months, the number of inner regional students receiving the youth allowance payment has risen by 4,250, an increase of 20 per cent. During the same period, the number of outer regional and remote students receiving youth allowance has risen by 2,150, an increase of 27 per cent. So the latest analysis confirms that this federal Labor government is delivering more support than ever before to regional students to go to university, and we remain committed to removing regional eligibility distinctions for the youth allowance from 1 January next year, and continue to support regional universities. As a result of our reforms, each year regional university students receive youth allowance and a paid-up scholarship worth $2,194, and the Labor government did that in 2011. Dependent students who move away from home to study typically receive more than $6,000 during a three-year degree to assist in relocation. We reversed the decline in regional university enrolments. We have made a record investment in regional universities and we have provided more financial support to rural and regional students than ever before.
Now I will not cop the nonsense from those opposite in relation to their scare campaigns on this because the facts do not bear out what they say. I have seen press releases and reports in regional newspapers, and I have got 12 newspapers that cover my seat in regional and rural areas so I see the press releases and I see the nonsense that they say. Country students need support to go to university and we have provided more than ever before. The independent umpire has given the verdict. What we have said has come true. We have provided more funding to regional universities, more funding to regional students and more assistance.

So let us not have those people opposite preen and pose and parade their support for regional and rural Australia, because it is a federal Labor government that has actually delivered. I see it in my regional and rural seat day after day after day: students going to university from backgrounds where their family never went to university, from places where they would never even consider the idea of going to university. They go to the University of Queensland Ipswich campus. They go to the University of Southern Queensland Springfield campus. They go to places that they never thought they would go to. Why? Because they want to achieve their potential and their goal to get a good job, and their families want that as well.

We are providing the support for them to do it, more support than those opposite ever dreamed they would do. Let us not get this nonsense, this absolute twaddle, from those opposite about this issue. They are talking rubbish and they know it in their hearts. I am sick and tired of seeing the media stories about it. The facts do not bear it out. We are the ones supporting regional and rural Australia, not the purveyors of nonsense opposite, not the so-called Nats, who allegedly stand up for regional and rural Australia. The LNP and all their counterparts in the other states should hang their heads in shame.

Ms GAMBARO (Brisbane) (12:30): I rise to speak to the Higher Education Support Amendment (No.1) Bill 2011, which is designed to streamline measures within the Higher Education Support Act 2003 both to improve the efficiency and effectiveness and to ensure the ongoing integrity of the income contingent loan program for the higher education and vocational education and training sectors.

Members will be aware of my continued advocacy for this vital sector of the Australian education market. As a tutor at the Queensland University of Technology prior to entering the House I know how important and fundamental education is. I want to place on the record that I commend the outstanding work that is being done at the Queensland University of Technology Gardens Point campus and the Creative Industries faculty at Kelvin Grove. They are to be commended for the excellent work that they do. I have enjoyed working particularly with the QUT alumni at Gardens Point campus in recently honouring a former lecturer in the marketing department, Su Mon Wong, and establishing the Su Mon Wong Memorial Scholarship for Excellence in Marketing in the School of Business.

Appropriate education pathways are essential building blocks and opportunities for all Australians, both young and old. I am determined that this sector be supported and given all of the assistance that it possibly can be given. Quality education and research are crucial to our nation and our people’s success in an increasingly interconnected and interdependent world. All Australians should be encouraged to pursue higher education and be supported in their endeavour to do so. That is why I support this legislation and will ensure that quality providers apply for and are able to offer those very important income contingent loans in the form of VET FEE-HELP. By simplifying administrative arrangements and improving risk
management processes, the potential increased access to VET FEE-HELP is worthy of support.

The Australian vocational education and training system is extremely distinct in every regard—in its curriculum, provider, student fees and charges. The vocational education and training system provides students with the practical skills and knowledge that they need to go into the labour force initially and re-enter the labour force, either by retraining for a new job or upgrading their skills for an existing job. Since the 1990s, government policies have supported the development of a very competitive market in VET provision and today VET is provided through a national framework of many thousands of public and private registered training providers. I want to acknowledge the work that the VET providers do for state and territory governments. They run institutes of technical and further education and other government providers—for example, in the university VET campuses, agricultural colleges, community based providers, private providers, enterprises and also in the great work that some secondary schools do in this area.

While TAFE is now just another provider in the market, it is still the single largest provider, delivering exemplary services over the years. There are approximately 72 TAFE colleges operating out of a large number of campuses, and I want to pay tribute to the remarkable work that they do in my own electorate and I want to place particularly on the record the fantastic work that is being done at the Ithaca TAFE college in Red Hill and also the Gateway TAFE college.

The Australian Council of Private Education and Training, ACPET, is the main body responsible for all of the private providers and it represents more than 1,000 private organisations delivering a full range of higher education, vocational education, training and English language courses. Their leadership has always been valued by me, and I want to place also on the record the wonderful leadership of the national chair of ACPET, Kay Ganley—her business Charlton Brown is also based in the electorate of Brisbane—and the terrific work she has done, particularly in her advocacy work. I also want to place on the record the wonderful work that Michael Hall, the Queensland representative of ACPET, does in encouraging choice, innovation and diversity in Australian education and training for individuals and working proactively and cooperatively with government education training providers, industry and community groups.

I know that both Kay and Michael want to ensure that vocational, higher education and training services provide that choice, provide that diversity, that they are well targeted and widely accessible and that these courses are of very high quality. We need to make sure that all of our independent providers of post-compulsory education and training are supported, and I thank them both for the incredible leadership that they provide in this particular area.

On another indulgence, I want to mention briefly the leadership that ACPET showed recently, including with their National Disaster Scholarship Scheme that provided training assistance to individuals affected by major natural disasters that occurred recently, particularly in my electorate of Brisbane. The course scholarships were made available through the generosity of ACPET, the member colleges and the institutions and they have been made available since 2009 in response to the Victorian Black Saturday bushfires.

The scholarships provided tuition support for the completion of an Australian based vocational education qualification at both certificate and diploma level and they cover a
whole range of study areas and occupations. Scholarships were awarded on demonstrated financial need, technical ability and interest in the nominated course of study. Those interested, particularly if they are wanting to take advantage of these scholarships, should also contact my Brisbane office. I want to pay tribute to the sector for bringing up those scholarships at a time of great need.

Returning to the bill, it has been reported that, because of these thousands of diverse providers entering the market, combined with the growth of the sector generally, there is an increased risk of unethical providers operating in this space. Because of these risks, we need to be satisfied that our safeguards and mechanisms for provider approval are robust, and to my mind the bill the government has presented achieves this though the fit and proper persons test.

Registered training organisations must meet a number of eligibility requirements to be approved as a VET provider: they need to be a body corporate whose principal purpose is to provide education; they need to be an RTO as listed on the National Training Information Service; they need to be financially viable and to remain financially viable, and they must offer VET accredited diploma and advanced diploma courses with credit transfer arrangements or VET accredited graduate certificate and graduate diploma courses; they must be a member of an approved tuition assurance scheme and hold a guarantee or an exemption from tuition assurance requirements; and they need to have administrative procedures and capacity to meet reporting requirements. These are all very important criteria of approval to ensure that the VET network remains strong, competitive, fair and flexible.

There have been an incredible number of reforms—and previous speakers spoke about those earlier—over the last 15 years and they have created strong foundations for the sector, but according to Skills Australia in their discussion paper *Creating a future direction for Australian vocational education and training*, aspects of the sector's performance over the last several years have been variable. Enrolment growth has been slightly at less than an average of one per cent a year in the last five years and apprenticeship completion rates are not satisfactory. Public confidence in the quality of provision has been shaken by improper activities in the delivery of programs, particularly to international students. We have some challenges before us and we have areas that need to be corrected and improved upon, but the future does look bright. With better provider approval processes it will certainly increase the number of students accessing fee assistance, and the coalition are very supportive of this measure. At a time when all Australians are facing very tough economic realities, including increases in groceries, utilities, rents and mortgages, any assistance that we can provide to those who really need fee assistance and help in accessing it is very welcome.

Tuition fees for publicly funded courses can vary enormously from course to course, across providers and even across jurisdictions, thus making the case for increased access to income contingent loans to the VET sector very important. It could be argued, as it is with higher education, that there are private rates of return to VET that make student charges justifiable. Consequently, VET students should have access to income contingent loans because upfront fees may be acting as a terrible barrier for them to pursue VET participation.

In 2005 income contingent loans, known as FEE-HELP, were made available to domestic students paying full fees in non-Commonwealth funded courses at universities and eligible private higher education providers. Expectations were that, with the introduction of FEE-
HELP, there would be an increase in the uptake of full-fee places. This was introduced by the coalition government, of which I was a part. Under the reforms in 2007 extended student assistance was provided to those studying at diploma, advanced diploma, graduate certificate and graduate diploma levels, just as the requirements are with the Higher Education Contribution Scheme. The requirement was for students to repay the loan once their income exceeded a minimum repayment, currently just under $45,000 per annum. Unfortunately there are far too few Australians who have been able to access VET FEE-HELP to date. Departmental figures show that, in 2009, only 5,262 students received income contingent loans under this scheme. It is understandable, I suppose, as there are only 50 registered training organisations eligible to provide VET FEE-HELP.

Less well stated, but potentially implicit in the reasoning for targeting diploma, advanced diploma, graduate certificate and graduate diploma courses, is that professional and associate professional occupations are expected to be the areas of greatest labour market growth in the future. Predictions are that there will be labour shortfalls in these areas if current levels of supply of qualifications are maintained. Therefore, by providing students with financial support needed to undertake studies at this level, VET FEE-HELP can potentially help finance this demand. That is why I am very happy to support this bill. Every day in my electorate of Brisbane people tell me of the very great difficulty they face in sourcing and retaining appropriately qualified and experienced staff. Indeed, from my own experience as a small business operator I can attest to the trials of negotiating the human resources merry-go-round that exists out there. That is why we need to do so much better in this area. I am committed to ensuring that all Australians have access to quality training to make sure that they have the real world skills needed. This commitment goes hand in glove with the coalition's long-held goal to ensure that all Australians who want a job can get a job.

Over the years we have seen Labor waste the opportunity to provide meaningful skills access to Australians. What is a tragedy, today, is that 40,000 people aged 15 to 17 years of age—that is nearly five per cent—are not in education, training or work. And nearly one quarter of people aged 15 to 19 are currently looking for full-time work. We really need to do much better. It is a function of many variables, notably major demographic changes and the ageing of the population, but it is also partly due to a shrinking pool of skilled-up job seekers available to take up job opportunities and it is certainly a function of the government's failure. The skills shortage is of great concern to me and my coalition colleagues. I recommit myself to ensuring all I can do as the member for Brisbane to help businesses struggling to find staff with the skills that they need. We need workers in Australia to have better skills and to utilise them more effectively in workplaces and businesses. The VET sector provides that certainty and particular support, and we should all work towards that aim. I support this bill and I hope that more students will take advantage of the VET FEE-HELP scheme.

Mr BILLSON (Dunkley) (12:45): I would like to support the remarks of my friend and colleague the member for Brisbane. Ms Gambaro would remember back in her earlier parliamentary incarnation as the member for Petrie in 1996 that one of the key priorities of the Howard coalition government was to restore public confidence and commitment to vocational education and training. At the end of the Hawke-Keating era of Labor governments there was the Dawkins review and the rhetoric about the way funding was allocated. Vocational qualifications had been very much relegated to being second-class qualifications. All that the
former Labor government could talk about were university degrees, as if those were the only postsecondary education pathway that people could consider.

I was thrilled at the renaissance in vocational education and training. There were innovations in apprenticeships by broadening the base of those qualifications beyond the traditional trades. What a renaissance that was in vocational education and training under the Howard government. I am pleased that that leadership has caught on. It seems to have infected the newer Labor government and it is pleasing to see that this Labor government is turning its mind to issues that seemed all too tedious for the last Labor government in Canberra.

So I am pleased to be able to support the Higher Education Support Amendment (No. 1) Bill 2011. The coalition has no amendments, is supportive of this bill and recognises a number of positive measures that the bill seeks to implement. The bill aims to achieve better outcomes for higher education and for people studying under vocational education and training providers by providing flexibility in the 'principal purpose' requirement for the recognition of bodies corporate as higher education or VET providers. This is a good thing because it is a clear statement that we have no place for those who think they can offer courses, particularly to overseas students, in the guise of education for what are really shopfronts for visa factories. These diminish the quality of education in Australia. Education is still a very key export for our nation, despite it running into very stiff headwinds at the moment, and I will touch more on that shortly.

There are also measures that aim to reduce the risk of undesirable providers through the introduction of a fit and proper persons test for the management personnel of these bodies and the introduction of conditions for their recognition. The bill also aims to simplify and streamline administrative arrangements for VET providers to facilitate access to FEE-HELP and VET FEE-HELP income contingent loans—a measure of the former Howard government. These loans are a mechanism available to full-fee-paying higher education and eligible VET students in full-fee paying and some government subsidised higher level courses. There is also a measure in the bill to assist the government in meeting its 2010 budget commitment to provide the National Entitlement to a Quality Training Place with the support of a VET FEE-HELP income contingent plan.

We are also aiming to improve access to VET FEE-HELP by removing financial barriers to higher education and ensuring that those who plan to undertake a VET qualification can access student loans to assist in the financing of their course. The minister also has a power in this legislation that can be exercised by regulation to establish criteria for deciding whether the management of a registered training provider meet the fit and proper persons test. So there will be more activity to tease out precisely what that means to ensure that people are eligible to be approved as higher education providers or VET providers. I have touched on the introduction of the contingent loans for the vocational education training sector—a measure from the Howard government years and one that has been carried forward by this bill. This is a good measure because a number of people do feel that the cost of pursuing a vocational education qualification or a higher education course is a barrier to their participation. Here we see an income-contingent loan that would take into account all or part of the student tuition fees. This is important because that income-contingent loan in this financial year only begins to be repaid when the eligible person has an income in the order of—as I look quickly through
my notes—the mid-$40,000s, if I recall correctly. That is a point in time where the financial benefits of those that have achieved a qualification are starting to be realised—it is $44,911 for 2011—and it recognises that, as the taxpayer and the broader community make a contribution through government and institutions and providers of vocational education and higher education, the individual who is benefiting from that investment also receives a personal benefit.

There are a lot of statistics around that show that the enhanced lifetime income of people carrying forward qualifications of the kind this bill seeks to address are quite substantial, and a modest return of that personal benefit in the way of repaying an income-contingent loan is, I think, a sensible and measured way of recognising the duality of benefits in that the nation and the economy benefits from a higher qualified workforce and a more educated community but the individual also receives considerable personal benefit, and that partnership is reflected in the funding arrangements of the courses that are undertaken to achieve that position.

The issue that the bill will also hopefully assist with is that not enough Australians have been able to access VET FEE-HELP to date. Some of the figures that have been available through the department communicate that in 2009 only a little over 5,000 students received income-contingent loans under the VET FEE-HELP scheme and only 50 registered training organisations were eligible. So if you were lucky enough to be in the catchment of one of those RTOs then an opportunity would be there. If you were unfortunate enough not to have an eligible RTO within a reasonable distance then there was an impediment to you accessing that benefit and that opportunity.

It is also important to ensure that there is an increasing participation and to recognise what the barriers might be to participation. In my own community, down in the wonderful Mornington Peninsula on the outer urban fringe of Melbourne, our postsecondary education participation is approximately half the metropolitan average. That is quite a striking figure when you imagine there are some outstanding postsecondary education providers in our community—and the member for Chifley is standing on his feet to commend Chisholm and Monash, I am certain.

Mr Husic: Mr Deputy Speaker, I draw your attention to the state of the House.

The bells having been rung—

The DEPUTY SPEAKER (Mr Murphy): Order! A quorum not being present, the sitting will be resumed at 13:00.

Sitting suspended from 12:53 to 13:00

The House having been counted and a quorum being present—

Mr BILLSON (Dunkley) (13:00): In the few minutes left I will conclude the topic on which I was speaking before the quorum was called downstairs. Aspiration is as crucial as having access to the finances to pursue post-secondary education. In the community that I represent, where we have half the representation of our young people in post-secondary education compared to the Melbourne average, there are other issues at play. One of them is to get the message clearly, strongly and consistently across to all young people that their postcode does not determine their potential and that the delicious possibilities available in post-secondary education could well be theirs, and we have a task not only to make sure that
financial barriers are removed but that aspiration for post-secondary education is a belief and commitment that all young people share. It is also a pathway in which we need to invest.

I thank you for your forbearance in giving me another minute of time.

**Proceedings suspended from 13:01 to 16:02**

Mr CIOBO (Moncrieff) (16:02): The Higher Education Support Amendment (No. 1) Bill 2011 is an important bill. We on this side are broadly supportive of the intent of this bill, as are the Labor Party, which seeks to extend the operation of the Higher Education Support Act 2003, ensuring that quality vocational education training providers can apply for and be approved as providers and are able to offer income contingent loans in the form of VET FEE-HELP.

Madam Acting Deputy Speaker, as I am sure you would be aware, FEE-HELP was an initiative of the former coalition government. We recognise the absolute value that is added to the Australian economy as a consequence of Australians and others undertaking additional tertiary study. Whether that tertiary study is at a vocational level or at a tertiary institution like a university, the reality is that it is a way for people to invest in their human capital, ensuring that that investment in themselves, in their children—it may, in fact, be in their grandchildren—actually reaps rewards for the broader community as well. There is power through knowledge, and the former coalition and I are strongly committed to knowledge in the form of additional education. In that sense, that was the precursor to additional support that was offered through the FEE-HELP program.

This initiative of the government to extend the operation of the Higher Education Support Act to include those providers operating in the VET space is a welcome addition. It ensures that, where there are fit and proper people, they are able to offer their students income contingent loans. In that sense, this is enabling legislation.

The reality is that, for many people in the community, the opportunity to undertake additional study in the form of VET education is often out of their reach. Financially, for many people it would seem to be, in some respects, a decision between their ability to live and their ability to undertake further study. That is not a choice that should have to be made. So, in that sense, this bill and its operation to extend VET FEE-HELP is a welcome addition, because it ensures that, where possible and where appropriate, the government recognises the public benefit that flows from increased education across the community and offers a helping hand. Of course, one of the primary functions of federal government is to offer that helping hand where obvious public dividends flow from it. In that sense, this is a bill that certainly moves a long way towards making sure that the public broadly is able to enjoy the benefits and the dividends that flow from a more educated populace.

In addition to that, extending it from the university sector, where traditionally it has been quarantined, into the VET sector, with student loans being made available for diploma, advanced diploma, graduate certificate and graduate diploma courses, is a very positive step. The loans, as they would function as a consequence of this bill, may cover or partially cover tuition costs for the VET course. Students are required to repay their loan once their income exceeds a minimum payment level of $44,911 for the financial year.

Regrettably, though, very few Australians—too few, I would argue—have been able to access VET FEE-HELP to date. DEEWR figures show that in 2009 there were only some
5,262 who received income-contingent loans under the VET FEE-HELP scheme—the 2009 figures are the most recent figures available—and there were only 50 registered training organisations that were eligible. We are pleased, as a coalition, that the minister will specify through the legislative instrument the criteria to take into account in deciding whether management of the RTO is a fit and proper person before the body may be approved as either a higher education provider or a VET provider. In that sense, we await the specifications of the criteria.

There is no doubt that Australia has had some rough patches when it comes to VET education. As long ago as 12 months but more recently as well, we have seen some examples, especially where they relate to international students, of some education providers perhaps not meeting the character test. The inclusion of this test is a step forward because it does recognise that quality providers should be able to provide income-contingent loans on behalf of taxpayers to those who meet the criteria, in terms of both the RTO in question and those students that might benefit from that education.

There is for me, though, on the Gold Coast, a concern with respect to VET education. Specifically, it is with respect to foreign students affected by the decision of this Labor government to withdraw the office of the Department of Immigration and Citizenship from Southport. This is inexorably linked to the issue of vocational education and training. That is because, for those international students who have decided to undertake VET training—for example, have decided to undertake an English language course in Australia—ready access to the department—in particular, over-the-counter services of the department—are crucial to their undertaking their studies in Australia.

In that sense, there were in the Southport office of the department of immigration some 30,000 over-the-counter inquiries. That has now all been put in jeopardy. Actually, it is going to be axed as a consequence of the decision of this Labor government. The Department of Immigration and Citizenship will no longer exist in Southport, and is in fact now going to be transferred to Brisbane. So, at the one point where this bill does take some concrete steps towards improving VET outcomes for those who undertake additional study, the government is also unfortunately withdrawing from Australia's sixth-largest city this crucial service through the Department of Immigration and Citizenship. This is going to materially and directly affect those international students who choose to undertake VET study on the Gold Coast. It is a massive step backwards, and it demonstrates that this is a government that is now seeking to recover costs wherever it can as a direct consequence of its reckless spending and the fact that it is borrowing $135 million a day. Now, of course, it desperately needs to try to recover costs in some way, and that means the withdrawal of government services from a city of 500,000 people.

However, turning to the more germane elements of this bill, in broad terms we on the coalition side are supportive of the intent of the legislation. I would hope that the result of this legislation will be that there are young Australians who today think that they cannot afford to undertake VET training or additional VET study who will now recognise that, should they qualify, they will be provided assistance by taxpayers to undertake further study. That is absolutely a good step forward for them. It is absolutely going to pay dividends to the community. We know that those with additional educational qualifications are generally less likely to become unemployed and, when they are unemployed, are less likely to be
unemployed for a longer period of time—that is, those who have a better level of education generally tend to be unemployed for shorter periods of time. Both of those measures are an investment in the future of Australia as well as an investment in those particular individuals themselves. I will confine my comments to these.

Mr TEHAN (Wannon) (16:09): I rise today in support of the Higher Education Support Amendment (No. 1) Bill 2011. At the outset, I would like to thank the minister and his office, particularly Mr Tim Friedrich, for listening and for fixing an unintended consequence of changes that were made to the legislation in 2007, I think. The particular amendment that I would like to talk about is the more flexible 'principal purpose' requirement which has enabled a training provider in my electorate to continue to operate. It is a business that offers training and should continue to operate. Sharp Airlines is a growing provider of regional aviation services and started primarily as a trainer of pilots, but as the business grew it branched into providing air services between Hamilton, Portland and Essendon airports. It also now flies to Adelaide, Launceston and even Flinders Island. The airline does a lot of other mining routes as well. It is fantastic to see a regional business such as this expand, but one of the things that occurred during this expansion was that the provision of services along these routes took over and became a growing part of the business. Sharp still continues to provide excellent training for trainee pilots, but the principal purpose of the organisation became the delivery of air services.

Under the legislation as it previously stood, all of the trainees who came from across Australia to Hamilton to train to be pilots could not get access to VET FEE-HELP. Following that, Helen Sobey from Sharp Airlines came up for a meeting with Tim Friedrich, the minister and others. The minister, his office and the department listened to the case that was put forward and, hence, we have this more flexible 'principal purpose' requirement in the bill. I would like to place on record my appreciation for this being included in the bill. If it had not been included, there was a possibility that Sharp Airlines may have reluctantly had to look at relocating in order to get access to VET FEE-HELP. That would have been a real shame not only for Hamilton but also for the family business itself.

It is very good to see that the unintended consequences in this situation have been addressed. I think the lesson for all of us as decision makers in this building is that when we legislate we should always think of the unintended consequences. When we put forward laws from Canberra we should especially realise that what may be suitable for training providers in our big urban centres or capital cities may not always fit with what is happening on the ground in regional and rural areas. I think for that reason we have to be very careful about mandating absolutely specific requirements. We should always be prepared to say that we might need particular flexibility. So it gives me great pleasure to see that in this bill that is what has been provided. I know that Sharp Airlines are very appreciative that the minister has gone down this path. They feel that they have been listened to in this circumstance. That is very good and they are grateful.

I will go into a little bit of detail regarding the more flexible 'principal purpose' requirement to get on the record what the government has done. The amendment adds to the current principal purpose provisions to allow the minister the discretion to approve a body corporate as a higher education or VET provider where the principal purpose of that body may not be education—and/or research in the case of higher education providers—as long as its other
purpose or purposes do not conflict with its principal purpose. The minister may suspend or
revoke a body's approval as a higher education or VET provider if any of the body's other
purposes conflict with its principal purpose, or if the body no longer has education—and/or
research, in the case of higher education providers—as its principal purpose.

The following amendments are made to section 16-25, in relation to higher education
providers, and to clause 6, in relation to VET providers, and are similar amendments to ensure
consistency between the respective provisions. Once again, I think the government has acted
in good faith in making this amendment. As the member for Wannon, as a member of the
coalition and as someone who led a delegation to the minister, I support this change.

Broadly speaking, we also support the streamlined measures that are introduced through
this bill to the Higher Education Support Act 2003. The intention is to simplify administrative
arrangements relating to VET providers to ensure that quality providers apply for and are able
to offer income-contingent loans in the form of VET FEE-HELP. The bill also seeks to
improve risk management processes ensuring VET FEE-HELP approved providers are fit and
proper people. I think we are all in agreement that we need this to be the case and that we do
not want to see an instance or instances whereby some of those who are providing VET
training may not be doing so for particularly wholesome reasons. So this is a good change.

The bill is intended to increase access to VET FEE-HELP by removing financial barriers to
higher education, ensuring those who wish to undertake a VET qualification are able to access
student loans to fund their course. I go back to one of the amendments which have been made
which will enable young potential pilots from around Australia to go and train in Hamilton to
become pilots and get assistance for doing so, whereas under the previous legislation that was
not the case; only those that had the income could do so. This is a change for the better.

Income-contingent loans were extended to the VET sector in 2007 under the former
coalition government. It is good to see that both sides have been able, in government, to
continue to progress the changes which were made to the sector in 2007—changes led by
the coalition government at that time. The extension of student loan assistance from the university
sector to the VET sector with student loans available for diploma, advanced diploma,
graduate certificate and graduate diploma courses, was a very positive move. It was
recognition that, while we need students in our tertiary institutions, in our universities, we
also need to ensure that students who want to do, for instance, aviation training are able to
afford to do so and to be able to relocate where necessary to do that training. The loan may
cover or partially cover the tuition costs of the VET course, a sensible addition, and students
are required to repay their loan once their income exceeds the minimum repayment level of
$44,911 for 2011—once again, a very sensible provision.

Regrettably, too few Australians have been able to access VET FEE-HELP to date, and I
think the hope from all sides is that we will see more Australians accessing VET FEE-HELP.
It is important, as I stated before, that we can position students, no matter how they are
seeking to skill themselves—whether it be in universities or through vocational education or
training—so that they can afford to do so. So hopefully we will now see greater access to this.
One place where I am sure it will happen is that we will see an increase in the aviation sector.

DEEWR figures show that in 2009 only 5,262 students received income-contingent loans
under the VET FEE-HELP scheme. These are the most available figures at the moment, but
hopefully we will see that number increase significantly. There were only 15 registered
training organisations that were eligible. Once again, I think that through these amendments, and in particular the one that I detailed specifically earlier in my speech, we will see the number of RTOs that are eligible expand.

The minister will specify by means of legislative instrument the criteria to take into account in deciding whether management of the RTO is a fit and proper person before the body may be approved as either a higher education provider or a VET provider. Once again, I think this is a sensible addition. It is another safeguard to make sure that the VET provider wants to provide education and training in the vocational sector—that that is what their intent is.

So the coalition remains supportive of income-contingent loans. Once again I express my appreciation that we will now see this being able to be offered to students who seek to learn how to fly. As our need for air services continues to grow, with the expansion especially in our resource sector, and the needs of our commercial airlines continue to grow, we are going to need to continue to process pilots and to be able to train them up. The changes in this bill will enable that to happen. I think that on the whole everyone in this House will finally benefit from that change, because a dearth and shortage of pilots is not something that the nation needs. We need to be doing everything we can to encourage aviation training. Once again I would like to place on the record my thanks to the minister and his office for having listened, for having made the amendment that they have made in this bill and also for following on from the good work that the Howard government did in introducing this VET FEE-HELP.

Mr WYATT (Hasluck) (16:23): I rise to support the Higher Education Support Amendment (No. 1) Bill 2011. What I like about the bill comes from a personal background of involvement in education and training. In a number of areas that have occurred over probably the last decade, RTOs, or registered training organisations, are now taking a real and serious place in the delivery of skill development and knowledge impartation. In order for Australia to be successful within the world in which we live and in the industries that we will be shaping and developing as the future continues to appear over the horizon, I believe that the lifelong learning stance that I have taken on many occasions—in my previous role as an educator and as Pro Chancellor of Edith Cowan University, but more recently in the fields of health—is important. This legislation enables us to position the way in which we develop skills for the workforce far better than we have, to some extent, in the past. The flexibility provision within the bill is a tremendous opportunity to move and to give those who make the decisions in the provision of training and higher education and in the VET sector the capacity to respond—to respond to industry needs and to respond to the emerging needs of new fields that continue to arise out of the way in which our society moves.

Recently, on being elected to the seat of Hasluck, I met with all of our RTOs, people from the VET sector and people from the secondary school sector—recognising that some are in competition with each other for available funding—to talk about how we provide for an emerging need for workforce skills within the rapidly developing economy of this country particularly in Western Australia. Those workforce skills are needed to support not only the resource sector but also the front-line companies and businesses, including the public sector, which provide services to it. What I appreciated from the discussion is the rich thinking and depth of thinking that has occurred among the RTOs. Certainly all of them expressed the need
to have some flexibility in the way they attract students in what they see as a continuum, a lifelong journey—so age was not a factor from their perspective.

How do we provide the best possible education and training within existing institutional arrangements? Out of those discussions has evolved a tremendous agreement that they want to be leaders in the work within the electorate to provide opportunities for training, for educational pathways. But they also looked at the question: how do they link with all the institutions that this act covers in an effective way of ensuring the points are a connection into the lifelong learning pathways and the skilling pathways required? Some innovative thinking has arisen in that group.

What I do like about the legislation is the propensity for flexible arrangements, enabling an institution to provide the type of training and, as my colleague talked about earlier, giving it the capacity to train pilots. The HESA values the access to higher education provided under the HECS-HELP and the VET FEE-HELP initiatives. Certainly young people within the electorate partake of the Commonwealth programs that have been put in place by successive governments.

One of the things I do want to support very strongly are the pathfinders, and I mean 'pathfinders' in two senses—those who are educated, skilled and trained for the opportunities in a career but also the institutions which provide the knowledge needed for the innovative and knowledge society. There are some challenges for us in the way we have to think—we have to think outside the square. We cannot always make assumptions that the current training we provide will meet tomorrow's future. In this sense, I often look at this sector and wonder whether we are teaching our young people, the future of our nation, with yesterday's curriculum and with today's teaching staff. These are some of the challenges that we have to think about and this bill provides for that. We need to look at the universal pathways that need to be joined together in the complexity of the provision of training and education, but we also need to think outside the square. And I do like, as I said, the provision of flexibility in the recognition of bodies corporate as higher education or VET providers in the 'principal purpose' requirement. I think that gives tremendous capacity to providers to look at the future, to look at 2030, and say, 'What is it that we really need to start thinking about in the way in which we skill the workforce?'

The universal right to an education is absolutely paramount. The other aspect we have to build into that is capacity building for the future. I want tertiary education to be a factor that is important in the lives of all Australians, so that at different points in their career they can turn to the right training organisation and seek to gain qualifications, skills and knowledge that they can apply in the pathways they are following. I honestly believe that by 2030 we will be part of a global society, a global world, a global economy, in which the transferability of skills will be universal. I like the fact that this bill is encapsulating that possibility. I compliment the government for bringing forward these amendments to the act. Sometimes we need to take stock and look at what the inhibitors and barriers are and then work to remove them collaboratively. That is why the coalition, those of us on this side, support this bill—it does provide that possibility.

This bill seeks to simplify administrative arrangements for vocational education and training providers and ensure that quality providers are able to apply for and offer FEE-HELP and VET FEE-HELP places to students. That is critical if we are going to develop the
capacity of our future nation. I also believe that the intent to provide the Commonwealth with a better process to manage provider risk, with a subsequent increase in provider approvals, will lead to a rise in students accessing both fees. That augurs well for the future. It gives our training providers added capacity and gives industry some assurance that the providers that they engage with or have their young people skilled through are providing standards that the industry is looking for.

I do acknowledge the variety that is now starting to become evident in the courses offered by RTOs. In Western Australia I went to WesTrac and had a look at their training program and their training facilities, and I was absolutely ecstatic to hear that the students going through that program of training are being employed not only by WesTrac but also, equally, by employers who see the quality of the program as meeting their needs within the resource sector. I talked to a couple of lecturers, and they really appreciate that skills they acquired within the industry can now be taught through technology that was not around when they went through their training—for example, the use of simulators that enable young people, or even those returning for second chance education, to better hone their skills to the levels required. If this bill gives that latitude and that flexibility to those who govern these institutions, then again I want to acknowledge that that is a highly beneficial aspect of the bill.

All of us in this House want to see a vibrant, rigorous process of education and training and see our capacity to be competitive in global markets continue to evolve. But, even more importantly, we want our competitive companies to transcend the boundaries of sovereignty, to transcend the countries in which they had their origin. If we think of companies like Rio Tinto and BHP, they no longer operate within the borders of this nation—they in fact operate in a borderless society in which the skills and the capacities of their staff, their workers, are of a standard that enables them to provide the workforce that generates not only profitability for the companies but also the avenues to refine, sharpen and hone skills that make this country highly competitive. The access to the fees help that is available is tremendous. Income contingent loans were extended to the VET sector in 2007, and that was a tremendous move in building the opportunity for developing capacity. These programs provide a loan, for all or part of the student's tuition costs, which has to be repaid once the student exceeds a set level of income. These programs accord access to anybody meeting the criteria, and students then have the opportunity to undertake a training program that meets their needs and that also makes them competitive in the talent pool.

A number of students in Hasluck access FEE-HELP to continue their tertiary studies. That warms my own sense of commitment to learning and the acquisition of skills because I know that those students will continue into pathways that will lead them to incredible opportunities. If I could turn back the clock and undertake the type of training and education that is now available within the tertiary and training sectors, I know my capacity would have been extended far beyond what I have now reached. Certainly, all of us in this House acknowledge the fact that our contribution to future generations through support for this legislation provides pathways that will be very rich and very focused on making our nation greater within the commercial, business and workforce sectors in a way that will generate the wealth and income that we need to support the way of life that we have become accustomed to in this nation. To that end, the simplification of the administrative requirements, in delivering efficiencies to both providers and the Commonwealth and improving the Commonwealth's
ability to manage provider risk and increase the rate of provider approval, increases the number of students able to access income contingent loans through quality providers in both the higher education and VET sectors.

This also allows for diversity in the future. When we think about what our parents have seen in the past—the development from horse and cart to space travel—the new skills and knowledge available now, which have been compressed into a decade, are equal to what all of us have acquired in our lifetime. This bill gives training and higher education providers an opportunity to respond flexibly to the future and deliver the courses required to skill all Australians.

I acknowledge the bill and I support the amendments within the bill.

Mrs ANDREWS (McPherson) (16:38): I rise to speak on the Higher Education Support Amendment (No. 1) Bill 2011. The main purpose of this bill is to streamline measures to the Higher Education Support Act 2003 to improve the efficiency and effectiveness of FEE-HELP and VET FEE-HELP, the income contingent loans applying to the higher education and VET sectors.

FEE-HELP is available to eligible full-fee-paying higher education students, while VET FEE-HELP, which was introduced by the coalition government, is available to eligible full-fee-paying and certain state government subsidised VET students studying in higher level education or training. VET FEE-HELP provides a loan for all or part of a student's tuition costs. As such, it provides assistance and an incentive to students who may not have taken up further higher education and higher level skill qualifications to do so by reducing the financial barriers to those studies. VET FEE-HELP is a contingent loan scheme for the VET sector and it is part of the higher education loan program. Currently, there are approximately 90 VET providers that have been approved under the Higher Education Support Act 2003 to offer VET FEE-HELP to eligible students.

This bill is intended to ensure quality education providers are able to apply for and be approved as VET providers under the act so that they are able to offer VET FEE-HELP assistance. In addition, the administrative requirements are intended to be simplified to improve the Commonwealth's ability to manage provider risk. It is essential that there is a proper approval process to ensure that education providers maintain appropriate standards and conduct themselves in an ethical manner. With an expected increase in providers, this will be an issue that will need to be properly managed by the government. The risk of undesirable providers entering the market is intended, though this bill, to be managed in part through the introduction of a fit and proper person test for the management decision makers of these bodies. This bill also provides flexibility in the principal purpose requirement for the recognition of bodies corporate as a higher education or VET provider but does not, however, specify how this requirement will be met.

It is important to return to the fundamental reasoning behind the VET FEE-HELP assistance scheme. This scheme was established to provide opportunities for more Australians to pursue new careers or lift their qualifications without facing the financial burden of having to pay upfront tuition fees. In 2009, a total of 5,262 students accessed VET FEE-HELP assistance, including 890 students from low socioeconomic areas. The VET FEE-HELP statistical report claimed the majority of assisted students were female and half were under 25 years of age. Younger students do not generally have the finances to be able to pay their
tuition fees upfront. Therefore, it comes as no surprise that our young people are taking advantage of being able to study certificate and diploma level courses with part or full income contingent loans. The most common qualification being attained by these students is the Diploma of Accounting. Around 79 per cent of VET FEE-HELP students are applying themselves to the diploma level of study, with the remaining opting for certificate level programs.

In 2009, $25.5 million of VET FEE-HELP assistance was accessed by students and, as a result, 526 VET FEE-HELP assistance students were awarded a diploma or high-level qualification. The most common field of education in 2009 for VET FEE-HELP assisted students was society and culture, undertaken by 1,382 students. Most of these students were enrolled in the Diploma of Children's Services. The second most common education field was management and commerce. It was undertaken by 1,338 students, so it was a very close second.

The Gold Coast Institute of TAFE is one of Australia's leading vocational education and training providers and TAFE is the largest provider in the Gold Coast region with six campuses, including the Coolangatta campus, which is within my electorate of McPherson. TAFE is recognised as an innovative leader in the provision of education and training services to local, national and international clients, and TAFE makes a very valuable contribution to the Gold Coast. A number of Gold Coast TAFE courses offer flexible learning options using online flexible or blended learning study options allowing students, if necessary, to study outside their required work hours.

The Gold Coast Institute of TAFE eligible VET FEE-HELP courses include the Diploma of Education Support, which gives successful students the qualifications necessary to work as an education support worker, a teacher's aide or assistant, a support worker for children with disabilities or as an education assistant. Each of these areas of employment require quality trained individuals, and there are many schools, organisations and businesses on the Gold Coast that desperately require skilled workers in these areas.

There is also a demand on the Gold Coast for enrolled nurses, and the Gold Coast Institute of TAFE offers VET FEE-HELP for the Diploma of Nursing for enrolled division 2 nursing. Successful graduates can work as endorsed enrolled nurses in private and public hospitals, aged-care facilities, hostels or medical centres—all of which are high-demand positions on the Gold Coast. It allows successful students the ability to be employed in various healthcare environments around the country. There are currently discussions underway in relation to formal training for surf craft manufacturing with a view to developing an apprenticeship. We are hoping that this will be based in the Gold Coast. During the lead-up to the 2010 federal election the coalition promised $500,000 to develop appropriate training for surfboard manufacturers and board shapers. This was not matched by Labor; however, the need for formal qualifications in this industry sector remains and must be addressed as a priority. To date the Gold Coast TAFE has shown a keen interest in supporting this industry and the Coolangatta campus is a viable option for training delivery.

Within the electorate of McPherson the King's International College at Reedy Creek has been providing eligible VET FEE-HELP courses in nursing. In addition to nursing, it offers a Diploma of Accounting and a Diploma of Community Services Work. The progressive action of King's since 1996 has allowed the college to update and expand its programs in growth.
areas by offering training that is practical, workplace relevant and meets current statutory requirements. The Gold Coast TAFE and the King's International College are just two examples, but there are many others on the Gold Coast. We need to ensure that students are able to access training and gain these qualifications to fill the need for skilled staff in the industries that require them the most. The VET FEE-HELP income contingent loans encourage students to undertake these studies and gain employment in their chosen fields without an unnecessary financial burden at a time when they can least afford to pay.

This bill is particularly important to the Gold Coast because education as a whole, and higher education in particular, is one of our main industries, as well as being a significant contributor to the local economy. I believe that it is fair to say that the Gold Coast is well on the way to becoming an education city. In my electorate of McPherson on the southern Gold Coast, in addition to the TAFEs and privately operated training colleges, including those registered training organisations that are already recognised VET FEE-HELP providers, we have two universities. At the southern end of the electorate we have the public Southern Cross University and at the northern end of the electorate we have the private Bond University. However, the Gold Coast is a region with low higher education participation rates, as illustrated by the data from the 2006 census, where only 18 per cent of the Gold Coast population aged 25 to 34 were degree qualified compared to the national average of 29 per cent. Considerable work needs to be done to meet the Bradley review target of a future skilled workforce where 40 per cent of Australians between the ages of 25 to 34 will hold a bachelor's degree by 2025.

Today I would specifically like to speak about Bond University and FEE-HELP. When Bond University opened 21 years ago it was the first private university in Australia and it was modelled on the traditions of the world's most elite educational institutions. Bond has produced some 16,000 graduates since its establishment and this has been achieved with minimal public funding, as more than 90 per cent of the university's total income is derived from student fees. In 2010 Bond University had an average of 4,365 students on campus, made up of approximately 66 per cent Australian students and 34 per cent international students.

As I have already said today, the Gold Coast has low participation rates and Bond University and Southern Cross University are actively working to address this issue locally. Bond takes part in the state low-SES schools initiative by providing academics to work with local schools in tutoring in science based subjects and by assisting with advice on tertiary education. In addition, Bond has signed a memorandum of agreement with the Gold Coast City Council, under which the university and the council are working together to address low higher education participation rates and low aspirations of children in the Gold Coast region.

In addition, Bond University has in place an annual scholarship program that compares favourably to the Go8 universities. A total of 10 per cent of the revenue is redirected to fee scholarships, and a range of corporate and foundation funded scholarships are being developed in addition to this. These scholarships are merit based and therefore support access and equity to students who might otherwise not be able to afford a place by helping them gain admittance on the basis of merit. Bond University places are not subsidised by the government and full tuition fees are charged semesterly on a subject-by-subject basis. Without access to FEE-HELP students wishing to undertake study at Bond are required to
obtain personal finance or sponsorship programs. Bond University prides itself on being a
not-for-profit organisation. Tuition fees are re-invested back into the university enabling Bond
to offer world-class campus facilities, state-of-the-art learning resources, a lower student-to-
staff ratio and access to Australia's leading academics and corporate achievers. FEE-HELP
makes private education like at Bond University more accessible than ever, encouraging
quality access to higher education for all Australians.

The Bradley review recommended that, to support the expansion of the system,
Commonwealth supported places should be uncapped and made available to private
providers. Bond University is also saying that the difference between the tuition cost and the
Commonwealth supported places funding should be the student contribution, which could be
funded through FEE-HELP. I support this view, and I support this view very strongly as a
way forward.

The coalition remains supportive of income contingent loans. It is vital that individuals
have the support they need to increase their skill levels to ensure they remain employable
within the workforce. I support measures to support and develop the education sector.

Mr SLIPPER (Fisher—Deputy Speaker) (16:51): I am pleased to be able to rise in the
chamber this afternoon to support the Higher Education Support Amendment (No. 1) Bill
2011. I think all of us realise that our youth are our country's future and that education gives
young people the best opportunity of getting a good job and making a contribution to society.
It is therefore vital that youth right around Australia are encouraged as much as possible to
take advantage of the many educational opportunities available to them in this country, and
that the education they seek and receive suits them in the direction in which they hope to
travel during their working life. It is, of course, good for them and it is good for the
community when our young people achieve a good education.

Young people who wish to improve their qualifications and gain better skills need support,
as much as the community is able to provide, from their families as well as from society at
large. Also they need financial support through loans from the government, and that is the
subject matter of the Higher Education Support Amendment (No. 1) Bill 2011.

I think most of us would know—those of us who are parents and those of us who are not—that the journey towards gaining a post high school qualification is not always easy and
requires commitment and discipline. I think society is becoming increasingly complicated
and, while there are more choices and opportunities for young people than previously existed,
I suspect that society also poses many challenges that were not confronting young people
of earlier eras. The cost of education—and parents would know this all too well—can often feel
like a bottomless pit for students as well as for their families. Not only do students often have
to pay the cost of tuition; they also have the cost of textbooks and other equipment directly
utilised in their education such as calculators and, if someone wants to be a carpenter, then
hammers and drills, or aprons and kitchen utensils for chefs, and all other sorts of tools of the
trade that are specific to the various courses in which students are enrolled.

In addition, particularly for those who live away from educational institutions, there is the
problem of the costs of accommodation, food, transport and so on. All of these costs mount
up and it is important that a society provides as much assistance as it reasonably can to benefit
students because it is an investment in the future. Properly educated students mean a properly
educated workforce and that, of course, means that we are a society which is much better able
to compete in the world of the 21st century. In the past, financial assistance has come through programs such as Austudy for tertiary students and many in this country have benefited from that support and gone on to have successful, busy and rewarding careers. It was a sensible, successful move by the former Liberal-National Party government to recognise that not everyone is destined for a career that requires tertiary studies and that those who do not wish to undertake studies through university should have equal access to financial support as they go through obtaining their educational qualifications. It is relevant to state that too many times in our community parents have stressed that it is important for students to get a university degree—any university degree—even one that might not lead to many career opportunities. We have undervalued trade training and we have undervalued encouraging young people to undertake technical education. But through the initiative of the previous Liberal-National Party government, the VET FEE-HELP system was born and that assists those eligible students who are undertaking an approved course, through an approved VET provider, by paying for all or part of their tuition and course costs.

Obviously, this is a loan which needs to be paid back, but only when the student moves into the workforce and is achieving an annual income of $44,911. This is an indexed figure as at 2011, so this year. This ensures that the loan used to acquire improved qualifications does not become a burdensome bill but one that has a delayed repayment trigger that comes into play only when the graduated student is able to afford repayments. These loans now extend beyond support for university courses, to make loans available for diploma and advanced diploma courses, as well as graduate certificate and graduate diploma courses.

Some members have quite accurately expressed in this House the concern that many students in rural areas have reduced access to the support programs that are intended to boost the skills of Australia’s youth and to assist those young people get into meaningful jobs in the workforce. I think that as an equity measure you would agree, Madam Deputy Speaker, that it is important that remoteness or extreme distance from a tertiary or vocational training centre ought not to be a determining factor as to whether a young person is able to undertake the necessary education. Those who live in rural areas, as opposed to those who live in the cities, should not be disadvantaged in the pursuit of the training, the study and the jobs that they wish to pursue.

Much has been said in this place about this anomaly and that the government needs to look at this seriously, and I am pleased that the minister is here as the minister should investigate what the community is saying, what members have said and look at what changes she is able to make to encourage and support all of our young people regardless of whether they are in metropolitan, country or regional areas. I know the minister is very well intentioned in this area and I can see her nodding at my suggestion.

As I said before, not everyone is destined to follow the once-traditional path of entering university after the completion of the senior years at high school, and vocations that require a different set of skills—hands-on skills—are a legitimate career path and the courses and education opportunities available now ensure that those taking those other pathways are well trained and well prepared for life and have the skills to provide their goods and services in the community.

This bill aims to tweak the Higher Education Support Act 2003 to improve the operation of the VET FEE-HELP system; that is, the vocational education and training part of the Higher
Education Loan Program, or HELP. The changes afforded by this bill intend to introduce a number of modifications to the act that help to simplify the administrative arrangements for the providers of VET courses and also to improve the risk management processes associated with identifying and monitoring VET providers to ensure that the providers are 'fit and proper' to provide the tuition to an acceptable and professional standard. I must say that I was surprised to see that only 50 VET providers had previously been approved, and part of the aim of this bill is to increase flexibility. This is very positive.

The bill aims to reduce the difficulties for some in accessing financial support for their education. The changes have as their fundamental purpose the support of young people and boosting the availability of skilled workers in Australia. Unfortunately the latest figures from 2009 from the Department of Education, Employment and Workplace Relations show that only 5,262 students were assisted in this program and that there were, as I said a moment ago, only 50 registered training organisations. So access to services in this important and valuable sector is lacking and needs to be improved.

I refer now to the opening of the Sunshine Coast Technical Trade Training Centre in my electorate of Fisher. I was privileged to be present, and Senator Claire Moore was there representing the government, at the opening of this important trade training centre. It is a centre that gives instruction to students from high schools in pursuits that are important for a coastal area that is so dependent on construction. It will again rely even more on construction as the pressures of the global financial crisis submerge and as the economy is restored. The courses on offer were not available when many people were going through high school—building and construction, civil engineering and sustainable energy. The programs at the trade training centre are delivered by a partnership between the Sunshine Coast Institute of TAFE and the University of the Sunshine Coast. The building has a wonderful design and it is a credit to all of those who are involved. It is already providing a wonderful opportunity for young people as it enables them to commence developing their skills in preparation for their life after school while they are still at school.

The $2.551 million centre is provided from the Trade Training Centres in Schools Program, and, most importantly, it is a partnership among four local schools—Beerwah State High School, Caloundra State High School, Kawana Waters State College and Meridan State College. The fact that these four schools are working together probably made their application so attractive. The centre provides an alternative school-based pathway for learning and is a sensible community asset that provides students with a practical educational initiative. Some 60 students from year 11 are enrolled at the centre presently, and of course this figure will increase over coming years. I commend all those involved in the centre and also the students. I have to say they looked particularly smart in their uniforms and work boots during the official opening, but they did begin to shiver towards the end of the ceremony as the main work area, with its high ceilings and cement floors, was not exactly the warmest place on the Sunshine Coast on that particular day.

In summing up, I do support this bill. It is a good bill, a commendable bill, and I thank the Minister for Employment Participation and Childcare for introducing it. It is a bill that seeks to streamline measures in the Higher Education Support Act 2003. It is important to encourage young people, and supporting this bill is another opportunity to do that.
Ms KATE ELLIS (Adelaide—Minister for Employment Participation and Childcare and Minister for the Status of Women) (17:03): I take this opportunity to thank both the Deputy Speaker and all members who have contributed to this debate. It is nice when we can enjoy those warm moments where the House comes together to commend a bill and we can all agree that it is a positive step forward.

As has been outlined both when I introduced the Higher Education Support Amendment (No. 1) Bill 2011 and in contributions since, the bill will improve the efficiency and effectiveness and maintain the ongoing integrity of the government's income-contingent loan programs. We have had a good debate from members on both sides. I thank members for their contributions and take this opportunity once more to commend the bill to the House.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

CONDOLENCES

Robinson, Sapper Rowan Jaie

Debate resumed on the motion:

That the House record its deep regret at the death of Sapper Rowan Jaie Robinson on 6 June 2011, while on combat operations in Afghanistan, and place on record its appreciation of his service to the country and tender its profound sympathy to his family in their bereavement.

Ms MARINO (Forrest—Opposition Whip) (17:05): I rise in the debate on this condolence motion for Sapper Rowan Robinson to speak wholly and solely on behalf of Lance Corporal Michael Powell. Michael Powell trained with Sapper Robinson at basic training in Kapooka and the School of Military Engineering in Sydney and they were sappers in the 3rd Combat Engineer Regiment in Townsville. Lance Corporal Powell has given me his words to read here today:

Sapper Rowan ‘Robbo’ Robinson was my mate. We joined the Army together and we served together. I knew him well. I miss him.

Robbo was an incredible person, a superb friend and an exceptional soldier.

Even upon joining the Army he was mature beyond his years and an inspiration to all his peers.

His skills and abilities were vast and varied. From singing and playing the guitar to military diving he could do it or he had done it.

With elite fitness and a rare strength of character his passing is devastating.

This was Rowan’s second trip to Afghanistan. When asked to serve, he stepped up proudly, with passion for his profession and unwavering commitment to his mates.

His vibrant smile and outstanding personality will be forever missed and never forgotten.

Those words are the words of Lance Corporal Michael Powell.

Mrs PRENTICE (Ryan) (17:07): On Monday, 6 June this year, Sapper Rowan Jaie Robinson was killed by enemy fire in northern Helmand, Afghanistan. I did not know Rowan Robinson personally nor would most Australians, but with them I honour him.

I have read the brief report of the action in which he was killed and I have seen the statement by his family. But I cannot honour him as those who knew him and loved him.
honour him. I cannot share with you, with this House, some personal insight into this brave young man. What I can do is to thank him on behalf of so many Australians, because this brave young man went to war at his nation's request—at our request—not once but on two separate deployments. Rowan Robinson died fighting for Australia, for all of us. Not for him is the opportunity for the debate and discussions we have in this place—the debate and discussions we have because of the bravery of so many young Australians in Afghanistan and those who have gone before. It was simply an order, a deployment, an operation and a duty proudly undertaken. His family's statement said:

... he took his work very seriously, knowing he was responsible for the lives of those who followed him through dangerous ground. He knew the risk of his job and accepted it.

How courageous is that! And yet that is what we ask of our troops each time they go to war, each mission, each patrol and each action. That is what we must never forget. These brave young men undertake these risks and sadly, many die—sadly, too many die. They take these risks because their nation asks them to. As I said some time ago, sadly, the remoteness of this war and the 15-second grab nature of television news means that many Australians do not see the harsh reality of war. They do not feel the pain and suffering of those who have lost a son, a brother, a friend.

To Rowan Robinson's family I offer my sympathy and that of the people of Ryan. There is little I can say that can take away the pain of your tragic loss. Your nation is forever in your debt because, like Rowan, you have paid the greatest price. You have lost someone you love—as simple, as harsh and as tragic as that. We must never forget that debt. To Rowan Robinson, I did not know you but in this place I honour you as I honour those who have gone before and those who are still there. I can only imagine the pain and suffering of your family. My heart is with them.

Mr McCormack (Riverina) (17:10): 'He gave his today for our tomorrow': words which describe the sacrifice Sapper Rowan Jaie Robinson made to help make our world a better place, a safer place.

Sapper Rowan Robinson was fatally shot on 6 June by insurgent fire after his patrol destroyed an enemy weapons cache during operations in southern Helmand. Sapper Robinson was 23 years young, an outstanding, brave man—one of the bravest of the brave—who had joined the Australian Army in 2006, becoming a valued member of the 3rd Combat Engineer Regiment.

Originally deployed to Afghanistan when he was barely out of his teens in 2007 as part of Operation Slipper, on his second tour of duty Sapper Robinson was serving with the special operations Incident Response Regiment. He has been described by his mates and fellow soldiers as a happy-go-lucky guy and was a great member of his team. He was a dedicated and professional soldier whose skills belied his youth. His friendly nature meant he was popular with peers and chain of command alike.

His family describe the immense pride with which Rowan wore his uniform and the seriousness with which he took his role as an Incident Response Regiment engineer. They were and still are so proud of their son and brother who chose to serve his country by joining the Army. To Sapper Robinson's family and wide circle of friends, I offer my sincere condolences and the heartfelt sorrow of the people of Riverina.
A soldier's death is always felt right across Australia because we are all mindful of the enormous devotion and extraordinary service given. The deep sense of individual and collective commitment and, at times such as this, of personal and overall loss is felt particularly deeply at Blamey Barracks, the Army recruit training centre at Kapooka in my electorate of Riverina. Wagga Wagga is the home of the soldier—the regional city where every Army recruit goes to do his initial training.

When a soldier dies in combat it is a solemn reminder to new recruits of the challenges they will face but also reaffirms their commitment to serve Australia and reinforces their loyalty to the great ideal for which they serve—peace. It is a sad and sombre thought that Sapper Robinson's name has now been added to Australia's roll of honour for Afghanistan.

On 30 May this year we lost another two soldiers in Afghanistan, Lance Corporal Andrew Gordon Jones and Lieutenant Marcus Sean Case. Both soldiers were on their first deployment to Afghanistan. Lance Corporal Jones was serving with the Force Support Unit as a cook and was fatally shot by an Afghani who was a part of the coalition defence force, a person deemed to be friend not foe.

 Lieutenant Case was serving as a Heron unmanned aerial vehicle operator and was killed when an Australian Chinook helicopter crashed in Zabul province around 90 kilometres east of the Australian base at Tarin Kowt. We also remember these two soldiers who returned to their beloved homeland not the way any soldier should have to, having done their duty helping those who need defending, protecting those who need protection, opposing those who warrant opposing, doing what is right because the international community abhors terrorism.

The deaths of Lance Corporal Jones and Lieutenant Case as well as Sapper Robinson bring Australia's death toll in Afghanistan to 27. To ensure these great warriors and their fallen comrades did not die in vain we must remain committed to our obligations in Afghanistan. We must remain committed to the troops still serving and we must not let the Taliban think they have won by showing any signs of considering a withdrawal. Fighting season, the Taliban-led spring offensive in Afghanistan, has not long started. To leave now would signal to them they have won. But they have not won and they will not—now, not tomorrow, not into the future. There must be no safe haven for terrorism, no training camps for terrorists, no more 9-11s, no more Bali or London bombings.

In my parliamentary office hang two framed posters from 1919 detailing the sacrifice of soldiers—willing, enthusiastic and patriotic volunteers who fought and fell in World War I. It was called the Great War, but we know that no war is great. It was called the war to end all wars, but we know that war continues to this day. Sadly, while ever evildoers threatened to rise up and do evil things to innocent people, stopping these bad and mad people from future acts of atrocity must and will be a priority of those nations such as Australia which are prepared to have their best and bravest fight and, if necessary, die in the pursuit of peace. My World War I posters of valour are poignant reminders of the ultimate price paid by the 59,341 diggers so that we can stand here in our democratic parliament, in a democratic country, and voice our opinions freely. The price of freedom is eternal vigilance.

Our troops in Afghanistan today are carrying on the mighty traditions forged in the battlefields of Gallipoli, the Western Front and Northern Africa in 1914-18. This wonderful and enduring spirit of Anzac was appropriately mentioned on Monday by the New Zealand
Prime Minister, the Right Hon. John Key, in his historic speech to the joint sitting of parliament. Our military personnel are helping to restore democracy in Afghanistan so that Afghans can one day hopefully enjoy the freedoms and liberties we enjoy in Australia and in New Zealand. We must ensure we remember this. We must ensure we remember those who have fallen fighting for this. We must remember Sapper Robinson and his 26 mates and the wider family that is the Australian Army—always remember. May they rest in peace. Lest we forget.

Mr BALDWIN (Paterson) (17:16): Today I rise to pay my respects and offer my heartfelt condolences to the family and friends of Sapper Rowan Robinson. I would also say that, for a variety of reasons, I have not had the opportunity to place on the record my thoughts in relation to the loss of Lieutenant Marcus Case, Lance Corporal Andrew Jones, Sergeant Brett Wood, Sapper Jamie Larcombe and Corporal Richard Atkinson. I think back to some of the speeches which have been made since the Anzac legend was born on 25 April 1915. I want to bring forward a couple of quotes which are as true today as they were then. I would like to quote General Sir Ian Hamilton, who said:

Before the war, who had ever heard of ANZAC? Hereafter, who will ever forget it?

Mr Deputy Speaker, I put to you that the service of these Australian diggers has been in the same vein with the same spirit as those who have walked those grounds before them. They go to do the deeds of government in fighting for freedom and democracy. They embrace the challenges because those they leave behind in Australia—their family, their friends, their loved ones and their nation which they love so dearly—give them the strength and courage to stand side by side with their fellow diggers as they go into the heat of battle. As Henry Lawson wrote at the time of the war in a clarion call:

I tell you the Star of the South shall rise—in the lurid clouds of war.

Wherever these Anzacs served, they left a legacy, often larger than life. It was during March-April last year that I had the opportunity to go to Afghanistan. I did not know Sapper Robinson, Lieutenant Case, Lance Corporal Andrew Jones, Sergeant Wood, Sapper Larcombe or Corporal Atkinson and I had not met them, but I feel I had because I had met their colleagues, the people from the same units, the people these brave heroes served alongside. While I did not know them individually, I knew them because of what they were, who they were and how they served their nation with great distinction. We can never forget their sacrifice.

As it says in the Bible in John 15:13:

Greater love has no one than this, that he lay down his life for his friends.

To a man, in our Defence Force, they are driven to fight as hard for their mates as for their nation. They would never expect their mates to do the heavy lifting for them. Their creed is that they do the heavy lifting for their mates. They never, ever leave anyone behind or in a position of danger. And that can be said of these fallen heroes. Other speakers have detailed their tours of duty and their well-earned, well-deserved medals of recognition for the campaigns that they have fought. But, simply said: how do you fill the hole that is left in the lives of their family and their friends? It is that hole that makes sure that they are remembered.
The final words of the ode are: lest we forget. That must play hard on our minds because we should never forget their service or their sacrifice in Afghanistan not just fighting for the freedoms and ideals of the people in Australia and to reduce the opportunity for terrorism, but fighting for people they do not know, so that those young boys and girls in Afghanistan can have the freedoms, the democracy and the opportunities that we sometimes take for granted in Australia. This is a war fought in a foreign land against an evil that knows no bounds and no rules, but these diggers step up to the plate.

When I sat around in Camp Holland talking to people—including Sapper Smith, who I had the opportunity to meet when I and my colleagues visited there and who unfortunately met a terrible fate—I got to know what drove them. If they had kids, they were there fighting for their kids' future. What they saw in the kids of Afghanistan was a reflection of their own children. They saw sense, they saw hope and they saw a future. They wanted the children in Afghanistan to grow up with the opportunities and freedoms that they ask for their own children.

How brave is an Australian soldier? They are not forced to go to war; they volunteer to go to war. In fact, some of them fight and train very hard to qualify to go and do what they do. Quite often, people divide up the recognition and the allocation of heroism for people who serve in various positions in the theatres of operation. My understanding as the former shadow minister for defence science and personnel and assisting shadow minister for defence, and my understanding based on having had personnel from Williamtown RAAF Base in my electorate for a long time, is that each and every member of our Defence Force plays a key and integral role in the success of the units. We have suffered these casualties. We have also had 179 wounded in the theatres of operation, the majority of which have occurred since 2007. But these diggers join an honour roll of fine men who have paid the ultimate price, so I would like to put their names on the honour roll:


I sincerely pray that this roll of honour of our fallen heroes grows by no more. We have paid enough of a price but if, indeed, more is to be paid to make sure the job is completed then that is the way it is. All of their families, of course, are devastated and saddened by their loss but the families that I have met with at the various ramp ceremonies and funerals for our diggers that I have attended, each to a T, has said, 'Please don't let their sacrifice be in vain.' They want the job completed because they understand the ideals that these fine Australian men gave their lives for and that must always be remembered. So I simply say as I honour these fine Australian heroes: lest we forget.

Mr CHRISTENSEN (Dawson) (17.26): It is with the deepest sympathy for the Robinson family that I speak on the loss of Rowan, who was killed while serving his country in Afghanistan on Monday, 6 June 2011, Afghanistan time. His loss is felt across this country but more so, obviously, by his mother and father, Marie and Peter, sister Rachael and two brothers, Ben and Troy. Words alone cannot express the heartfelt sorrow that we feel when one so young and full of life is taken from us. But it is with more than words that we reach out to those closest to Rowan. We also reach out with our thoughts, our prayers, our sympathy and our gratitude. We offer gratitude for the life, the joy, the mateship and the service that Sapper Rowan Robinson offered to those around him—to his family, his friends, his colleagues and his country.

Sapper Rowan Robinson, age 23, was a young Incident Response Regiment engineer based in Idalia in Townsville in my electorate of Dawson. His parents, too, live in Idalia but the grief of his loss is felt far beyond North Queensland. Rowan grew up with his family in Duranbah, where he attended Cudgen Public School. He later attended Mount St Patrick's College at Murwillumbah and Kingscliff High School. He was a long-time member of the Cudgen Headland Surf Life Saving Club. He left behind his life in New South Wales and fulfilled his dream of joining the Australian Defence Force. No doubt those who knew him back then will remember the easygoing nature that endeared him to so many. He was a popular young man among all he encountered—friends, colleagues and the chain of command in the Defence Force. His colleagues were as dear to him as he was to them.

Sapper Robinson was on his second deployment in Afghanistan as part of Operation Slipper when he was tragically killed by insurgents. I understand that Sapper Robinson and other Australian troops were with their partners from the Afghan National Police and were deployed to the northern Helmand province in Afghanistan, where there was a known insurgent distribution and supply cell. They discovered a large stash of weapons, including grenade launchers, ammo, assault rifles and communication equipment, and during that raid the patrol was shot at. The patrol destroyed the stash and moved on to another area where they again came under heavy fire from several directions, and this is where Sapper Rowan Robinson was tragically taken from us. I mention this only to say that Sapper Robinson died while saving lives. Every gun, rifle and grenade launcher in that stash, every bit of ammo and other equipment that was destroyed by Sapper Robinson and the rest of the patrol could very well mean that a coalition soldier or an Afghan national is not killed now and into the future. That is bravery, to lay down one's life for his friend, the friends in this case being his brothers in arms and our friends in Afghanistan who dream of a free and peaceful nation.
To lay down one's life for one's friend: there is no greater bravery or love than that. Sapper Robinson's service was recognised by the awarding of the Australian Active Service Medal with clasp, International Coalition Against Terrorism; the Afghanistan Campaign Medal; the Australian Defence Medal; and the NATO International Security Assistance Force Medal. He has also been awarded the Army Combat Badge and the Returned from Active Service Badge.

As civilians it is very difficult for us to understand the depth of mateship amongst those serving on the front line. Sapper Robinson died fighting with his mates in a mission that will save lives, earning the respect of fellow soldiers, officers and those here at home. Words alone cannot console, but I want to put on record my gratitude and respect for the life of Sapper Rowan Robinson and for his service to this country. I am sure that the entire electorate of Dawson joins with me in expressing sadness at the news of his passing.

Sapper Robinson is the 27th digger to die in combat in Afghanistan, and I take this moment to remember all of those who have fallen as well. Our thoughts and prayers are with Sapper Robinson's family at this time of grieving and also with all the families of our servicemen who have fallen in conflict in Afghanistan. I want to finish with St Ignatius' prayer. It reads: Teach us, Good Lord, To Serve Thee as Thou deservest; To give and not to count the cost; To fight and not to heed the wounds; To toil and not to seek for rest; To labour and not to ask for any reward, save that of knowing that we do Thy will.

Sapper Robinson might not have known that prayer, but he gave, fought, toiled and laboured for us all and now he finds his rest and reward in the arms of the eternal Father while we here grieve for his wounds and the cost of his life for our nation.

**Ms O'DWYER** (Higgins) (17:32): I would also like to rise to add my words to the most eloquent words of my colleague who spoke just before me. It is with great regret that I do rise to speak on this condolence motion. Regret, because it is a national tragedy when we lose one of our soldiers in the theatre of war.

On 23 May Australia mourned the loss of Sergeant Brett Wood, aged just 25, who was killed in southern Afghanistan by an improvised explosive device. As we were coming to terms with this recent loss we have since had three more deaths: Lieutenant Marcus Case, aged 27, who died in a helicopter crash; Lance Corporal Andrew Jones, aged 25, who was shot by a rogue Afghan soldier; and most recently on 6 June, there was the death of Sapper Rowan Robinson, aged just 23 years, who died during a raid on a weapons cache in Helmand province. These were young men who had so much to live for. These young men sacrificed their lives for Australia's cause in Afghanistan. It is our duty to accord them the highest honour.

The past few weeks have been particularly difficult for our troops in Afghanistan. The news of these deaths has shocked and distressed millions of Australians. As we come to terms with 27 operational deaths in Afghanistan, our thoughts are with the families, friends and fellow soldiers who daily bear the burden of their sacrifice. For them, there will be moments of overwhelming grief and a permanent feeling of emptiness. There is no way for us to comprehend what they are going through. This is the serious price we pay for our involvement in the fight for freedom and security, and we must never forget it.

It is perfectly natural that Australians should question our involvement in Afghanistan when they hear reports of Australian deaths. It is not only natural but important that we continue to view our involvement in Afghanistan with a critical mind. So long as our troops
remain overseas there will be moments of great sadness in Australia and in this parliament. It is at times like these that we must look to the objectives of our primary mission to defeat terrorists. To do this we need to train Afghan security forces so that they can provide for their own security. Our mission is also to honour and protect the US alliance, which is in our national interest. Our national security is in our national interest.

While Australia is a young nation when compared to other nations around the world, we have been steadfast in our determination to protect freedom, tolerance and democracy, making the supreme sacrifice so that we might live in a world of peace and prosperity. Looking to our efforts in Afghanistan, we can be proud of what we have accomplished thus far. We have made it a safer country. We have given opportunity to thousands of men, women and children who lived in fear under the Taliban. Together with the local people, we have put in place governance, security and education structures to ensure that the country will not again be used as a breeding ground for international terrorism.

We should listen to our Defence Force chiefs, who know the situation on the ground and the improvements we are making across the country. More than anyone else, our leaders in the Defence Force wish to preserve the lives of our troops in combat. They know the situation that confronts our soldiers every day, and they know best how to respond. We should respect their judgment. We should listen to Air Chief Marshal Angus Houston, who said:

Believe me, we need to stay the course, we are getting to the stage where we're seeing absolutely first-class results with the people we're mentoring.

We cannot deny the successes we have had in Afghanistan. Australia has played a key role in disrupting terrorist activities and breaking the stranglehold of the religious zealots who have kept the population of Afghanistan in fear for so long. We have helped rebuild a functional society where people have the ultimate say in who leads their country. We have helped put an end to much of the violence and suffering. It has been the efforts of soldiers like Brett Wood, Marcus Case, Andrew Jones and Rowan Robinson that have made Afghanistan a freer place for everyone, and particularly for women. We have forged an important friendship with the people of Afghanistan, who want to be a free people and need us there to help them build a free and democratic nation.

We should never forget what our soldiers have done to defend Australia and humanity abroad. We must bear in mind their great sacrifices and ensure that what they have fought to achieve is protected and fostered. The best way to do that is by growing the substantial gains we have already made in Afghanistan. We should bear in mind that our mission in Afghanistan is a noble one and will succeed if we stay the course. We should, though, be there only for as long as we need to be and not a minute more.

In this condolence motion today, we remember all of those men who have given their lives: Sergeant Andrew Russell, Trooper David Pearce, Sergeant Matthew Locke, Private Luke Worsley, Lance Corporal Jason Marks, Signaller Sean McCarthy, Lieutenant Michael Fussell, Private Gregory Sher, Corporal Mathew Hopkins, Sergeant Brett Till, Private Benjamin Ranaudo, Sapper Jacob Moerland, Sapper Darren Smith, Private Timothy Aplin, Private Scott Palmer, Private Benjamin Chuck, Private Nathan Bewes, Trooper Jason Brown, Private Tomas Dale, Private Grant Kirby, Lance Corporal Jared MacKinney, Corporal Richard Atkinson, Sapper Jamie Larcombe and, as I have said, before, Sergeant Brett Wood, Lance
Corporal Andrew Jones, Lieutenant Marcus Case and Sapper Rowan Robinson. We honour their sacrifice and the ongoing sacrifice of their families. We will keep their memory alive.

Mr FITZGIBBON (Hunter—Chief Government Whip) (17:38): I join with the Prime Minister, the Leader of the Opposition and all members who have spoken or will speak on this very important condolence motion. I rise, like all of them, to pay my respects to Sapper Rowan Robinson, another Australian hero who has given his life for his country at the tender age of 23. Sapper Robinson had been in the ADF for some five years, had two tours of duty to Afghanistan and had been awarded six decorations during that time.

We have now had 27 lives lost in Afghanistan; that is 27 too many. As a former Minister for Defence I have been very determined to ensure that I make a contribution on each of these condolence motions, and as I do so this evening I lament the fact that I find myself repeating myself, but I felt it necessary to do so, because the same things need to be said. Many of those things have been said in this chamber this evening. The first is that while I did not know Sapper Robinson—although I must say it is possible that I may have met him; if I did I just do not recall—I am sure that Sapper Robinson knew exactly what he was doing in committing himself to the ADF’s operations in Afghanistan and that he fully understood the risks but was as keen as mustard to undertake the task. Likewise, having had the not-always-happy experience of meeting, mixing with and consoling families of fallen soldiers, I am very confident that Sapper Robinson’s parents would also have been very supportive of his decision to serve his country in a very, very dangerous theatre of war. It is very tough for the families involved, but I always sense when I meet with them that they draw some comfort from the fact that the person they love so much and who is now no longer with them was doing what he loved and wanted to do and were supportive of that.

I will pick up on the theme of others. Afghanistan is very tough. The longer we are there and the more people we lose, the more difficult it will be for us to maintain support for our operations amongst the Australian people. Like many others, I appeal to people to hold their nerve. We are there for very important reasons. Afghanistan does go directly to the security and safety of Australians, both here on our mainland—on our continent—and as we travel around the globe.

As a former minister, I still have quite a deal of contact with many people who are heavily engaged in the mission—and indeed those on the ground in places like Tarin Kowt and Kandahar. They report to me that we are making very, very substantial progress there. In fact, one person said to me, ‘If you come back to Tarin Kowt now you would be very, very pleased and very, very proud of what we have achieved.’

In addition to the excellent disruption work being done by our special forces, our infantry, engineers and others are helping to train the Afghan National Army, ANA, to a standard at which they will be capable of taking care of their own security. In addition to that, we are helping to train the Afghan National Police, and when they get to the required standard we will be able to come home safe in the knowledge that we have done our job. People often ask me: ‘Can you win in Afghanistan?’ My response always is: ‘That depends on your definition of winning.’ We will have won when we are satisfied that we leave Oruzgan province a better place, a safer place both within and as a consequence for Australians and, it goes without saying, when the Afghan National Security Forces are capable of taking care of their own security.
Of course, we are doing much more which is very important. We continue to build social and economic capacity and we continue to play a role in building governance in Oruzgan province. In coalition with others we still play a role in building governance across the country. We will not meet with success in Afghanistan by military means alone. It will be a combined effort between military effort, the efforts in governance, the efforts in capacity building and the efforts in training more broadly.

Afghanistan is a difficult place but it is a place where there is hope. It was interesting that this week US defence secretary Robert Gates confirmed that some negotiations had been taking place between coalition forces and the insurgents. I will say again what I have been saying for two years—and I say this for those who might be concerned about this: there is a big difference between negotiating with extremists and setting up dialogue with moderates. I think the latter can produce real results. Indeed, I think it is absolutely necessary. We cannot meet with ultimate success in Afghanistan without some form of political settlement. Afghanistan has to want to govern itself in a way we would expect them to, and the Afghan people have to have faith and trust in those who govern them. If we cannot achieve that, we will not meet with success. Again, I pay tribute to Sapper Rowan Robinson. He now will be recorded as a great Australian, a heroic Australian. The work of the sapper when out with special forces is of a kind we find difficult to fathom, wondering whether the next step will be your last. It is difficult for us to appreciate that. He was prepared to take those risks for those who were fighting alongside him, his mates. He was prepared to take those risks for the safety and security of his country and his fellow Australians. I extend my heartfelt sympathy to his family, his mum and dad, his mates, his friends and all who loved him.

Mr FRYDENBERG (Kooyong) (17:45): It is with great sadness I rise to speak this evening on this condolence motion following the death of Sapper Rowan Robinson. Sapper Robinson, 23, was tragically killed on 6 June in Afghanistan where he was serving with the Special Operations Task Group. He is the 27th Australian to lose his life in this difficult and distant conflict.

The DEPUTY SPEAKER (Mr S Georganas): Order! I draw to the attention of the members that the Main Committee no longer has a quorum.

The bells having been rung—

The DEPUTY SPEAKER: Order! A quorum not being present, the sitting will be suspended until a quorum is present.

Sitting suspended from 17:46 to 17:51

The House having been counted and a quorum being present—

Mr FRYDENBERG (Kooyong) (17:51): As I was saying before the quorum, Sapper Robinson, 23, was tragically killed on 6 June in Afghanistan, where he was serving with the Special Operations Task Group. He is the 27th Australian to lose his life in this difficult and distant conflict.

Sapper Robinson leaves behind his loving parents, Marie and Peter, sister Rachael and brothers Ben and Troy. In the words of his family:

He knew the risk of his job and accepted it. It’s harder for us to accept he has been taken from us before his time—but we know he died protecting his mates and doing a job that he loved, a job for which he was greatly respected by the people who served by his side.
Sapper Robinson joined the Army in 2006 and subsequently became a member of the 3rd Combat Engineers Regiment and later the Incident Response Regiment, based in Sydney. He was on his second deployment to Afghanistan, having been first deployed on Operation Slipper in 2007.

Over his short but full life, his father Peter said that his son had:

… his fair share of luck. He escaped the jaws of a shark while surfing at South Kingscliff Beach and walked away from a motor vehicle accident when he rolled his brother's car.

He had been run over by an armoured vehicle, and a soldier walking beside him once stood on a home-made bomb that did not detonate. But at his son's funeral Peter said:

… that luck ran out on a hilltop in southern Afghanistan.

In the words of his commanding officer at IRR:

He epitomised everything that a special operations engineer can be and should be—bravery, mateship and a willingness to risk one's life so that others may live; those were his qualities, and to a soldier, we aspire to them.

The Australian Chief of Army, Lieutenant-General Ken Gillespie, put it this way:

As a Sapper, he led from the front, looking for threats and disabling those devices to keep his mates safe.

The death of Sapper Robinson is a tragedy for our nation and a tragedy for his family. His contribution to this vitally important mission of bringing security and stability to Afghanistan is not in vain, nor will it be forgotten by a grateful nation. Lest we forget.

Mr EWEN JONES (Herbert) (17:54): I rise to pay my respects on the loss of Sapper Rowan Jai Robinson. Sapper Robinson was a member of the special operations Incident Response Regiment, whose job it was to clear the way for the Special Forces who come behind them. As many have noted, this is a very dangerous job requiring a high level of skill and the most courageous soldiers. Sapper Robinson fitted into this category perfectly. Sapper Robinson has been described by his officers as a motivated, dedicated and highly professional soldier who recognised the dangerous and important nature of his role and took it extremely seriously. His family have spoken about how proud he was to be an Incident Response Regiment engineer.

After joining the Army in 2006 Sapper Robinson was posted to Townsville, my home town, to be followed soon after by his family as they sought to be closer to their children. As the home of Australia's largest defence base the people of Townsville feel the pain of his death acutely. I offer my sympathies to Sapper Robinson's family, friends and mates, particularly those with whom he served and who are still based at Lavarack Barracks. The community of Townsville is standing right beside you at this difficult time.

It was in protecting his mates through providing cover fire in overwatch that Sapper Robinson was killed. You sometimes think about how you would react if you were put into a situation like that. It is only when you are actually faced with situations like that that you find out whether you have the bravery or not. The Army does a lot of training so that it becomes muscle memory and they train over and over and over again. They take their training very, very seriously because if they get it wrong people die. In some cases even when they get it right people die.
Sapper Robinson showed great courage. He was killed in crossfire but he was able to show the grit in his teeth and the steel in his spine that truly makes our soldiers and the men and women of our ADF the best defence force in the world. Earlier in the day he had been part of a team that removed the largest cache of weapons, ammunition, drugs and bomb components found in Afghanistan this year. The significance of this and the wider role played by Sapper Robinson cannot be overstated. What he did was to take those weapons out of circulation so that they could never be used against anybody else. Sapper Robinson played a crucial role in contributing to a crucial war.

Thanks to our soldiers, the Afghanistan of today is unrecognisable compared to the Afghanistan that we first entered. That country, under the power of the Taliban, had no regard for justice, no regard for basic human rights and no regard for the lives of its people. The Taliban regime openly supported and fostered terrorism, and reports of atrocities committed against Afghans by their own government quickly became common knowledge. The Taliban's values could not have been further removed from those we are fortunate enough to enjoy here in Australia and in other Western countries, and they targeted us for that.

Afghanistan has come a long way thanks to soldiers like Sapper Robinson, but the journey is far from over. We watch as our death toll from this deployment rises to 27. We must not forget what we are fighting for and how important it is. Afghanistan must become a democratic country where all its citizens are treated equally regardless of their age, sex, religion or ethnicity. Sapper Robinson was a brave soldier who played a role in Afghanistan that has not gone unnoticed, and he will never be forgotten. As I offer my deepest condolences to the Robinson family, I join the chorus of voices which reflect on the bravery and courage of a young soldier who has made the ultimate sacrifice for his country and for the international community, and with the promise that he did not die in vain.

Sapper Robinson's parents live in Townsville and when I called at his mum and dad's house the front step was covered with flowers. They were not home and it looked like they had already left for northern New South Wales in readiness for the funeral. I left a card to say that whatever they wanted they should call me. Those of us who are parents will mourn with Sapper Robinson's parents. Surely having to bury a child of your own is the hardest thing one must ever have to do. I pray that we do not have to do it. Our hearts go out to Sapper Rowan Robinson's parents and family. Our thoughts are with you. You are not alone. I honour the bravery of this young man and soldier. May he rest in peace. Lest we forget.

Mr CRAIG KELLY (Hughes) (17:59): I rise to add my voice to those who have spoken before me in offering my condolence to the family, friends and colleagues of Sapper Rowan Jaie Robinson. The life of Sapper Robinson has been cut down all too soon. At the age of just 23, Sapper Robinson had achieved much more than many others of such a young age, and it is noted that his skill belied his youth. He joined the Army in 2006 and after his initial recruit training joined the 3rd Third Combat Engineer Regiment. Sapper Robinson was on his second deployment to Afghanistan, after also having diligently served under Operation Slipper in 2007-08.

The sapper's role is truly an important one—and, as often coincides with such importance, it is also a dangerous one. The combat engineers lead from the front, protecting their colleagues from the dangers they are to walk into. It takes a truly brave individual to serve in this role, and Sapper Robinson was one of those special individuals, possessing the required
characteristics of courage, leadership and, above all, mateship. As his commanding officer said of Sapper Robinson:

Whether it was clearing a path potentially littered with IEDs, fighting for his mates or providing overwatch, no task was too great and no request to help was ever unanswered.

He went on to say:

Rowan was a man who was as selfless as he was courageous.

The loss of Sapper Robinson, following that of Sergeant Brett Wood and Lieutenant Marcus Case, has had a deep impact on the Holsworthy community. Each time news breaks of the loss of a soldier serving overseas, our community turns inwards, asking whether the soldier lost was ‘one of ours’. Ultimately, the answer to this question is yes—for even when the soldier in question has not been stationed at Holsworthy, he is Australian and we feel the same deep sense of loss.

Coincidentally today, parliament had a group visiting from the Holsworthy Public School, a school heavily populated with the children of service personnel based out at the local Holsworthy Barracks, including friends and colleagues of these three brave young men. The principal, teachers and students feel this loss, alongside our broader community and the nation as a whole, and this was evident today.

Living in our nation, we sometimes take for granted the freedom, democracy and opportunity that we all enjoy. But we must be ever vigilant to protect these sacred principles. Sapper Robinson certainly did not take these principles for granted, and his actions showed this. Our nation and those that cherish these sacred principles will forever be indebted to Sapper Rowan Jaie Robinson.

In closing, I would like to express my personal and deep sympathies to Sapper Robinson's family, whom he loved so much, in this time of such great loss. To his parents, Marie and Peter, to his brothers, Ben and Troy, and to his sister Rachael: my thoughts are with you.

Mr SNOWDON (Lingiari—Minister for Veterans' Affairs, Minister for Defence Science and Personnel and Minister for Indigenous Health) (18:03): I acknowledge those who have spoken on this condolence motion for Sapper Rowan Jaie Robinson. Firstly, let me offer my deepest sympathies on the death of Sapper Rowan Robinson and express my condolences to his parents, Peter and Marie, and his siblings, Rachael, Troy and Ben.

Sapper Robinson was described as a soldier whose luck had run out on a dusty Afghan hilltop. Rowan was a dedicated and professional soldier whose skill belied his youth. He was born in Wahroonga, New South Wales, in 1987. He joined the Army in 2006 and after his initial recruit training joined the 3rd Combat Engineer Regiment. After four years of service he was posted to the Incident Response Regiment at the start of 2010 where he completed his reinforcement cycle.

Sapper Rowan Robinson was serving with the Special Operations Task Group when he was tragically killed in action on Monday, 6 June 2011. This was his second deployment to Afghanistan, having first deployed in Operation Slipper in 2007. His colleagues described him as a superb young man who was fit, happy-go-lucky and a great team member. I am told that those who had the pleasure of meeting him instantly warmed to him, and his easygoing nature made him popular with his peers and chain of command. Sapper Robinson was awarded the Australian Active Service Medal with Clasp International Coalition Against
Terrorism (ICAT), the Afghanistan Campaign Medal, the Australian Defence Medal and the NATO ISAF Medal. He has also been awarded the Army Combat Badge and the Return from Active Service Badge.

At his funeral service on Friday, 17 June, in Kingscliff, a colleague from Sapper Robinson's regiment said the fallen soldier had made the choice to put his comrades' safety above his own:

"You could have sat back and considered your job done when the position was cleared and yet you pushed up, right to the front line … I strongly doubt there was ever a better example of a combat engineer and a brother in arms."

His father, Peter, told of Sapper Robinson's luck running out on that dusty hill in Afghanistan and how in his youth Sapper Robinson had escaped the jaws of a shark while surfing and walked away from a car accident where he rolled his brother's car. He had been run over in training by an armoured vehicle, and in another incident he had survived an improvised explosive device which failed to detonate after a colleague who was right beside him trod on the device.

Too often now we stand here and have motions of condolence for brave soldiers like Sapper Robinson. As an Australian community, we can only wonder and marvel at the courage and bravery of these young men who lay their lives down for Australia. On behalf of the Australian government, I offer my support to Sapper Robinson's family and friends through this very difficult time and assure them that the sacrifice of this outstanding young Australian soldier will be remembered. They should know that Australia is proud of his courage, his selflessness, his service and the ultimate sacrifice that he has made. He will surely be sorely missed.

It behoves us to understand the nature of armed conflict but more importantly, from my point of view, to understand that anyone who puts an Australian uniform on to work for the Australian Defence Force is a special person. Those special people go where others will not go; they do what others will not do; and ultimately they are prepared to lay down their lives for this great nation of ours, as Sapper Robinson has done. May he rest in peace. Lest we forget.

The DEPUTY SPEAKER (Ms Vamvakinou): I understand it is the wish of honourable members to signify at this stage their respect and sympathy by rising in their places.

Honourable members having stood in their places—

The DEPUTY SPEAKER: I thank the Committee.

Ms SMYTH: I move:

That further proceedings be conducted in the House.

Question agreed to.

Main Committee adjourned at 18:09
QUESTIONS IN WRITING

After-Hours Medical Services
(Question No. 120)

Dr Southcott asked the Minister for Health and Ageing, in writing, on 25 November 2010:

(1) By program, what sum of funding will the Government provide for the provision of after hours care in (a) 2010-11, (b) 2011-12, (c) 2012-13, and (d) 2013-14.

(2) On what date will (a) the Practice Incentives Program after hours incentive cease, (b) the General Practice After Hours Program cease, (c) the national after hours GP telephone advice commence, and (d) Medicare Locals provide comprehensive after hours primary care cover.

(3) In which locations will GP Super Clinics (a) offer after hours service, and for what span of hours, and (b) be open for 24 hours.

(4) How many home visit services were provided by (a) general practitioners, and (b) Medical Deputising Services, in 2009-10.

(5) How many after hours aged care visits were provided by (a) general practitioners, and (b) Medical Deputising Services, in 2009-10.

(6) How many home visit services, and aged care visits, are estimated to be provided by (a) general practitioners, and (b) Medical Deputising Services, in (i) 2010-11, (ii) 2011-12, and (c) 2012-13.

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

(1) The Australian Government currently supports the provision of after hours primary care services through:

- Medicare Benefits Schedule (MBS) After Hours Rebates – higher rebates are offered for after hours consultations by GPs and other medical practitioners;
- the General Practice After Hours (GPAH) Program – competitive based program that provides funding to organisations wishing to provide after hours GP services; and
- the Practice Incentives Program (PIP) After Hours Incentive – payments are made to eligible general practices which arrange for, or provide, after hours care to their patients.

In the 2010-11 Budget the Australian Government announced reforms to after hours primary care under the 'Establishing Medicare Locals and Improving Access to After Hours Care' measure. This will involve:

- the establishment of a national telephone-based after hours GP medical advice and diagnostic service as an additional service to the nurse triage, information and advice services currently provided by the National Health Call Centre Network, trading as healthdirect Australia; and
- the introduction of new Australian Government funding arrangements through Medicare Locals to support the provision of face-to-face after hours primary care services at the local level.

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Budget</th>
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<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2010-11</td>
<td>2011-12</td>
<td>2012-13</td>
<td>2013-14</td>
</tr>
<tr>
<td>MBS – After Hours Items</td>
<td>384,871</td>
<td>400,825</td>
<td>421,644</td>
<td>442,945</td>
</tr>
<tr>
<td>GPAH Program</td>
<td>18,018</td>
<td>16,232</td>
<td>16,470</td>
<td>7,920</td>
</tr>
<tr>
<td>PIP After Hours Incentive *</td>
<td>58,000</td>
<td>58,000</td>
<td>58,000</td>
<td>0</td>
</tr>
<tr>
<td>Improving Access to After</td>
<td>3,500</td>
<td>33,927</td>
<td>48,456</td>
<td>160,758</td>
</tr>
</tbody>
</table>

QUESTIONS IN WRITING
**QUESTIONS IN WRITING**

**Budget**

<table>
<thead>
<tr>
<th>Hours Primary Care (2010-11 Budget Measure)</th>
<th>Budget</th>
<th>Budget</th>
<th>Budget</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>464,389</td>
<td>508,984</td>
<td>544,570</td>
<td>611,623</td>
</tr>
</tbody>
</table>

* Expenditure for the PIP After Hours Incentive is demand driven, at approximately $58 million per year.

(2) (a) PIP After Hours Incentives will cease on 1 July 2013.

(b) The GPAH Program will cease on 1 July 2012. No new grants will be offered under the program from this date.

(c) The after hours telephone-based GP advice service will be operational from 1 July 2011.

(d) From 1 July 2013 Medicare Locals will be provided with funding to support the provision of comprehensive face-to-face after hours primary care services at the local level.

As announced as part of the Council of Australian Governments' (COAG) Heads of Agreement on National Health Reform, the establishment of Medicare Locals and their role in planning and supporting after hours care provision in their region has been brought forward. Medicare Locals will now be established in three tranches with the first tranche to be operational from 1 July 2011, the second tranche by 1 January 2012 and the remainder by 1 July 2012. As they are established, Medicare Locals will be funded to review the after hour primary care need of their region and to develop and implement a plan to address gaps in after hours care.

(3) The most recent advice from GP Super Clinic operators for the ten currently opened GP Super Clinics is as follows.

<table>
<thead>
<tr>
<th>Location</th>
<th>Opening Hours – After Hours Services</th>
</tr>
</thead>
</table>
| 164 Inglis Street, Ballan | Monday, Wednesday and Friday 8:30am—9pm  
Saturday 9am to 3pm  
24 Hour Emergency Care by the GP Super Clinic GPs provided in the co-located Bush Nursing Hospital. Allied Health services are also available through an on-call system with the Bush Nursing Hospital. |
| 328 Gympie Road, Strathpine | Monday to Friday 8am to 7pm  
Saturday 8am to 6pm (GPs and dietetic, pathology, exercise physiology and psychology services)  
Sunday 9am to 5pm (GPs)  
Employs a medical deputising service to cover for all other times ensuring patients have 24 hour access to GP care. |
| 29 Stockton Street, Nelson Bay Port Stephens | General Practice Services  
Monday, Wednesday and Friday between 8am to 5pm  
Tuesday and Thursday 8am to 8pm  
Saturday and Sundays 10am to 3pm. |
<table>
<thead>
<tr>
<th>Location</th>
<th>Opening Hours – After Hours Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cnr Temple Crescent and Cook Street, Palmerston</td>
<td>Monday to Friday 8am to 6pm. The Urgent Care After Hours Service co-located with the GP Super Clinic in the Palmerston Health Precinct is available between 6pm to 8am, seven days per week and from 8am to 6pm Saturday and Sunday and public holidays through the Health Direct, national call centre.</td>
</tr>
</tbody>
</table>
| 8 Wenvoe Street and 144 A-B William Street, Devonport | Wenvoe Street: Monday to Thursday 8.30am to 6.30pm, Friday 8.30 to 6pm Saturday 9am-11.30am  
William Street clinic: Monday to Friday 8.30am to 5pm Saturday 9am to 11.30am.  
Participates in a shared weekend roster with East Devonport Medical Centre. |
| Cnr Reynolds Road and Princes Highway, Belmont, Geelong | Monday to Friday 8am to 8pm Saturday 9am to 1pm.  
After Hours are available through an on-call system with Melbourne Locum Service from 6pm to 5am and GP Super Clinic doctors are on call from 5am to 8am. |
| 11 Salisbury Road, University of Queensland Ipswich Campus, Ipswich | Mon to Fri 8am to 6.15pm.  
An existing service, Ipswich After Hours Co-operative, currently provides local after hours care. |
| 89 Dora Street, Morisset | Mon to Fri 8.30am to 5pm |
As demand increases will offer after hours services. Currently, after hours services are offered at sister service Kanwal Medical Complex to 8pm weekdays, 12pm-3pm Saturdays and Sundays.

As demand increases will offer after hours services. Currently, after hours services are offered at sister service Kanwal Medical Complex to 8pm weekdays, 12pm-3pm Saturdays and Sundays.

<table>
<thead>
<tr>
<th>Location</th>
<th>Opening Hours – After Hours Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bass Highway, Cooee Burnie</td>
<td>Mon to Fri 8.30am to 9pm  Saturday &amp; Sunday 2pm to 6pm</td>
</tr>
<tr>
<td>Cornwall St, adjacent to</td>
<td>Mon-Fri from 8am to 6pm.</td>
</tr>
<tr>
<td>Princess Alexandra</td>
<td>Within 12 months, anticipated 7 days per week from 8am to 10pm.</td>
</tr>
<tr>
<td>Hospital (PAH) Brisbane</td>
<td></td>
</tr>
<tr>
<td>Southside (Annerley – Stage1)</td>
<td></td>
</tr>
</tbody>
</table>

An additional 28 GP Super Clinics were announced as part of the 2010-11 Budget and will offer an extensive array of primary care services in a single location, with integrated services delivered by teams of health professionals.

All of these 28 GP Super Clinics, including hub and spoke model clinics, will offer hours of opening that extend beyond 8am-6pm weekdays and 9am-12 noon Saturdays. Further after hours services provided by the GP Super Clinics will be determined depending on the local needs and priorities of the community, taking into account the availability of existing after hours GP services.

(4), (5), (6)

Home Visit Services Provided by General Practitioners

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Visits by GPs</td>
<td>888,129</td>
<td>789,781</td>
</tr>
<tr>
<td>After Hours Residential Aged Care Facility services by GPs</td>
<td>147,835</td>
<td>172,249</td>
</tr>
</tbody>
</table>

Home Visit Services Provided by Medical Deputising Services (MDS)

Current MBS item billing does not differentiate between after hours home visit services provided by standard GPs and those working for MDS. As such an accurate estimate of the number of MDS services provided, including in aged care facilities, in 2009-10 and until 2012-13 cannot be provided.

The National Association for Medical Deputising (NAMDS) estimates that MDS provided approximately 600,000 after hours home visits in 2009-10. This figure has not been validated by the Department.

Ministers: Staff, Capital Works and Acquisitions

(Question Nos 241 and 255)

Mr Briggs asked the Minister for Foreign Affairs and the Minister for Trade, in writing, on 3 March 2011: 
(1) How many personal staff are employed by the Minister.
(2) What is the (a) total cost, and (b) breakdown of costs, of all capital works and acquisitions in the Minister's private office since 3 December 2007.

Mr Rudd: On behalf of the Minister for Trade and myself, the answer to the honourable member's question is as follows:

(1) The employment of staff under the Members of Parliament (Staff) Act 1984 is administered by the Department of Finance and Deregulation (DoFD). On 22 February 2011, DoFD tabled with the Senate Finance and Public Administration Committee a list of Government Personal Staff Positions as at 1 February 2011.

(2) The cost of capital works and acquisitions for ministers' offices is shared by the Department of Parliamentary Services (DPS), DoFD and home departments in line with Appendix 2 of Supporting Ministers, Upholding the Values. The Special Minister of State will accordingly respond on behalf of all ministers in respect of costs incurred by DPS and DoFD.

The costs incurred by the Department of Foreign Affairs and Trade are as follows:

(a) The total cost of all capital works and acquisitions in the Ministers' private offices since 3 December 2007 is:
   (i) Minister for Foreign Affairs $9,729.50
   (ii) Minister for Trade $56,026.06

(b) The breakdown of these costs is:
   (i) Minister for Foreign Affairs
      - Computer data cabling $3,528.80
      - Representation kit $521.46
      - Televisions and wall brackets $1,681.81
      - Secure cases $816.36
      - Digital camera $605.45
      - Audio Equipment $672.00
      - Lease—photocopier $1,903.62
   
   (ii) Minister for Trade $56,026.06
      - Computer data cabling $51,089.50
      - Wireless headsets $687.91
      - Televisions and wall brackets $1,081.81
      - Desk converters $136.36
      - Lease—photocopier $2,816.46
      - Lease—fax $214.02

Computers in Schools
(Question No. 320)

Mr Randall asked the Minister for School Education, Early Childhood and Youth, in writing, on 24 March 2011:
Since the inception of the Digital Education Revolution program, by school in the Canning electorate, how many (a) students are, or have been, eligible to receive a Commonwealth-funded computer, and (b) of the students in part (a) have received their computer as at 23 March 2011.

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

(a) The Department of Education, Employment and Workplace Relations used information collected through a Preliminary Survey conducted in early 2008 to establish that approximately 780,000 computers would be required to achieve a one to one student to computer ratio in Years 9 to 12. Since the Preliminary Survey, there has been some movement in the number of computers required as a result of:

- schools seeking to join the Fund that had not responded to the survey;
- schools with Years 9 to 12 that were not offered at the time of the survey;
- new schools being established; and
- conversion of funding for computers to flexible funding to better accommodate the needs of students with disabilities.

The total number of computers now required is 786,848. This figure has not been broken down by electorate.

(b) The total number of computers that have been installed at schools in the electorate of Canning as at 31 March 2011 is 2,422 outlined in the table below.

<table>
<thead>
<tr>
<th>School</th>
<th>Number of computers installed at 31 March 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Calvin Christian College</td>
<td>128</td>
</tr>
<tr>
<td>Dale Christian School</td>
<td>40</td>
</tr>
<tr>
<td>Armadale Senior High School</td>
<td>165</td>
</tr>
<tr>
<td>Cecil Andrews Senior High School</td>
<td>126</td>
</tr>
<tr>
<td>Boddington District High School</td>
<td>20</td>
</tr>
<tr>
<td>Armadale Education Support Centre</td>
<td>15</td>
</tr>
<tr>
<td>Kelmscott Senior High School</td>
<td>311</td>
</tr>
<tr>
<td>Roleystone District High School</td>
<td>43</td>
</tr>
<tr>
<td>Pinjarra Senior High School</td>
<td>104</td>
</tr>
<tr>
<td>Mandurah High School</td>
<td>103</td>
</tr>
<tr>
<td>Waroona District High School</td>
<td>28</td>
</tr>
<tr>
<td>Mandurah Catholic College</td>
<td>410</td>
</tr>
<tr>
<td>John Wollaston Anglican Community School</td>
<td>89</td>
</tr>
<tr>
<td>Armadale Christian College</td>
<td>112</td>
</tr>
<tr>
<td>Coodanup Community College</td>
<td>99</td>
</tr>
<tr>
<td>Carey Baptist College</td>
<td>255</td>
</tr>
<tr>
<td>Sowilo Community High School</td>
<td>12</td>
</tr>
<tr>
<td>Halls Head Community College Education Support Centre</td>
<td>4</td>
</tr>
<tr>
<td>Halls Head Community College</td>
<td>252</td>
</tr>
<tr>
<td>Serpentine-Jarrahdale Grammar School</td>
<td>106</td>
</tr>
<tr>
<td>Total</td>
<td>2422</td>
</tr>
</tbody>
</table>
Imports: Narcotic, Psychotropic and Precursor Substances
(Question No. 323)

Mr Fletcher asked the Minister for Health and Ageing, in writing, on 24 March 2011:
In respect of applications to the Office of Chemical Safety & Environmental Health for the importation of narcotic, psychotropic and precursor substances, over the past five years ending 28 February 2011 without disclosing the identity of applicants, how much time passed between (a) receipt, and (b) finalisation, of each application.

Ms Roxon: The answer to the honourable member's question is as follows:
The time between receipt and finalisation of 9,607 applications for licences or permits for the importation of narcotic, psychotropic and precursor substances, from 2007 to 28 February 2011, ranges from 1 to 350 days.