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SITTING DAYS — 2014

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—THIRD PERIOD

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

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

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

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

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

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

Printed by authority of the House of Representatives
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<tr>
<td>van Manen, Mr Albertus Johannes</td>
<td>Forde, QLD</td>
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<td>Varvaris, Mr Nickolas</td>
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<td>Vasta, Mr Ross Xavier</td>
<td>Bonner, QLD</td>
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<td>Watts, Mr Timothy Graham</td>
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<tr>
<td>Whiteley, Mr Brett David</td>
<td>Braddon, TAS</td>
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<tr>
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<tr>
<td>Wood, Mr Jason Peter</td>
<td>La Trobe, VIC</td>
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<tr>
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<td>Zappia, Mr Antonio</td>
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### PARTY ABBREVIATIONS
- ALP—Australian Labor Party; LP—Liberal Party of Australia; NATS—The Nationals;
- IND—Independent; NATSWA—The Nationals WA; CLP—Country Liberal Party;
- AUS—Katters Australia Party; AG—Australian Greens; PUP—Palmer United Party

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- Clerk of the House of Representatives—D Elder
- Secretary, Department of Parliamentary Services—C Mills
- Parliamentary Budget Officer—P Bowen
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<tr>
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<td>Senator the Hon. Eric Abetz</td>
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<tr>
<td>Minister Assisting the Prime Minister for Women</td>
<td>Senator the Hon. Michaelia Cash</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon. Josh Frydenberg MP</td>
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<tr>
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<td>The Hon. Alan Tudge MP</td>
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<tr>
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<td>The Hon. Warren Truss MP</td>
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<tr>
<td>Assistant Minister for Infrastructure and Regional Development</td>
<td>The Hon. Jamie Briggs MP</td>
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<tr>
<td>Minister for Foreign Affairs</td>
<td>The Hon. Julie Bishop MP</td>
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<td>Minister for Trade and Investment</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Foreign Affairs</td>
<td>Senator the Hon. Brett Mason</td>
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<tr>
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<tr>
<td>Assistant Minister for Employment (Deputy Leader of the House)</td>
<td>The Hon. Luke Hartsuyker MP</td>
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<tr>
<td>Attorney-General</td>
<td>The Hon. Michael Keenan MP</td>
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<tr>
<td>Minister for the Arts (Vice-President of the Executive Council)</td>
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<tr>
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<td>Senator the Hon. George Brandis QC</td>
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<tr>
<td>Minister for Justice</td>
<td>The Hon. Michael Keenan MP</td>
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<tr>
<td>Treasurer</td>
<td>The Hon. Joe Hockey MP</td>
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<tr>
<td>Minister for Small Business</td>
<td>The Hon. Bruce Billson MP</td>
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<tr>
<td>Acting Assistant Treasurer</td>
<td>Senator the Hon Mathias Corman</td>
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<tr>
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<tr>
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<td>The Hon. Barnaby Joyce MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Agriculture</td>
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<tr>
<td>Minister for Education (Leader of the House)</td>
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<tr>
<td>Assistant Minister for Education</td>
<td>The Hon. Sussan Ley MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Education</td>
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<tr>
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<tr>
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<tr>
<td>Assistant Minister for Social Services (Manager of Government Business in the Senate)</td>
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<tr>
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<tr>
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<tr>
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</tr>
<tr>
<td>Title</td>
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<tr>
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<tr>
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<tr>
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<td>Senator the Hon. Michael Ronaldson</td>
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<tr>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Defence</strong></td>
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<tr>
<td>Assistant Minister for Immigration and Border Protection</td>
<td>Senator the Hon. Michaelia Cash</td>
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<tr>
<td><strong>Minister for Finance</strong></td>
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<tr>
<td>Special Minister of State</td>
<td>Senator the Hon. Michael Ronaldson</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Finance</td>
<td>The Hon. Michael McCormack MP</td>
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Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
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<td>Senator the Hon Kim Carr</td>
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<tr>
<td>Shadow Minister Assisting the Leader for Small Business</td>
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<tr>
<td>Shadow Parliamentary Secretary for Small Business</td>
<td>Julie Owens MP</td>
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<tr>
<td>Shadow Cabinet Secretary</td>
<td>Senator the Hon Jacinta Collins</td>
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<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
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<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Dr Jim Chalmers MP</td>
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<tr>
<td><strong>Deputy Leader of the Opposition</strong></td>
<td>Hon Tanya Plibersek MP</td>
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<tr>
<td>Shadow Minister for Foreign Affairs and International Development</td>
<td>Senator Claire Moore</td>
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<tr>
<td>Shadow Minister for Women</td>
<td>Senator the Hon Penny Wong</td>
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<tr>
<td>Shadow Minister for the Centenary of ANZAC</td>
<td>Hon Matt Thistlethwaite MP</td>
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<td>Shadow Parliamentary Secretary for Foreign Affairs</td>
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<td>Dr Jim Chalmers MP</td>
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<td>Senator the Hon Stephen Conroy</td>
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<tr>
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<tr>
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<tr>
<td><strong>Shadow Treasurer</strong></td>
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<tr>
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<td>Hon Tony Burke MP</td>
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The SPEAKER (Hon. Bronwyn Bishop) took the chair at 09:00, made an acknowledgement of country and read prayers.

BUSINESS

Suspension of Standing and Sessional Orders

Mr PYNE (Sturt—Leader of the House and Minister for Education) (09:01): I move:
That standing order 31 (automatic adjournment of the House) and standing order 33 (limit on business) be suspended for the sitting on Thursday, 26 June 2014.

This is the usual motion that is moved on the last day of a session when we are abandoning the adjournment at 4:30 in order to be able to conduct government business for as long as it takes so that we can get out at a reasonable hour tonight. My anticipation, for the members of the House who are interested in their travel arrangements et cetera, is that we will have a debate on the carbon tax repeal bill today and the MRRT repeal bill today. We have allowed most of the day for that debate. If the opposition abandon their MPI, which I doubt that they will want to do, that would give this extra time. But we do not intend at this stage to abandon the MPI. We will then start going through the final stages of both the MRRT bill and the carbon tax bill.

I anticipate that we will not rise at the normal hour of five o'clock but I think we will rise reasonably shortly after that, depending on whether the opposition is of a mind to be a reasonable or unreasonable—that would depend on them. I anticipate that, even if the opposition is unreasonable, we will still rise a couple of hours after five o'clock. So most people will be able to get out tonight. We certainly will not be sitting tomorrow. My anticipation is that most people will be able to get out on planes after about seven o'clock tonight at the latest.

Mr BURKE (Watson—Manager of Opposition Business) (09:03): Quite pertinent to this resolution are arguments that have been happening for some months when this parliament was regularly sitting and had run out of legislation. At the time, the opposition was making the point that the government was not properly managing its legislative program. We predicted that we would end up in these circumstances having had weeks where, regularly, there were was no business before the House at all and we actually spent some months debating the speech from the Governor-General here in the chamber, because there was no legislation left. We predicted that poor management of the government program would lead to this.

We now have a circumstance where I cannot remember a week where we have had so many gag motions and there have been so many occasions where the government has shut down debate. Having done all of that, they still cannot manage the program within the ordinary hours that are available for this parliament. This is not something that is in the ordinary course of events. It is not normal for us have a circumstance where for many weeks there was basically no business before the House. Then we get to the final two weeks of these sittings and the government have consistently shut down debate. Yesterday only one backbencher from the government wanted to speak on the direct action policy, which they claimed they were so proud of, before they shut that one down. And now we have a circumstance where we are told within the ordinary hours of parliament they cannot fit the
legislation in. The opposition does not support this resolution. The government have brought this on themselves through poor management of the parliament.

The SPEAKER: The question is that the motion be agreed to.

The House divided. [09:09]

(The Speaker—Hon. Bronwyn Bishop)

Ayes ................. 79
Noes ................... 52
Majority............. 27

AYES

Alexander, JG
Andrews, KL
Billson, BF
Broad, AJ
Brough, MT
Chester, D
Cobb, JK
Coulton, M (teller)
Entsch, WG
Frydenberg, JA
Gillespie, DA
Griggs, NL
Hawke, AG
Hogan, KJ
Hunt, GA
Irons, SJ
Jones, ET
Keenan, M
Laming, A
Laundy, C
Marino, NB
McCormack, MF
Morrison, SJ
O'Dowd, KD
Pasin, A
Porter, CC
Price, ML
Ramsey, RE
Robert, SR
Ruddock, PM
Scott, FM
Smith, ADH
Stone, SN
Taylor, AJ
Truss, WE
Van Manen, AJ
Vasta, RX
Wicks, LE
Wilson, RJ
Wyatt, KG

Anders, KJ
Baldwin, RC
Briggs, JE
Broadbent, RE
Buchholz, S (teller)
Christensen, GR
Coleman, DB
Dutton, PC
Fletcher, PW
Gambaro, T
Goodenough, IR
Hartsuyker, L
Hendy, PW
Howarth, LR
Hutchinson, ER
Jensen, DG
Joyce, BT
Kelly, C
Landry, ML
Ley, SP
Matheson, RG
McNamara, KJ
Nikolic, AA
O'Dwyer, KM
Pitt, KJ
Prentice, J
Pyne, CM
Randall, DJ
Roy, WB
Scott, BC
Simpkins, LXL
Southcott, AJ
Sudmalis, AE
Tehan, DT
Tudge, AE
Varvaris, N
Whiteley, BD
Williams, MP
Wood, JP
Question agreed to.

**COMMITTEES**

**Publications Committee**

**Report**

Mr COULTON (Parkes—The Nationals Chief Whip) (09:15): I present the report from the Publications Committee sitting in conference with the Publications Committee of the Senate. Copies of the report are being placed on the table.

Report—by leave—agreed to.
The bills also abolish the Climate Change Authority—an independent, strong voice set up to advise the parliament, the government and, perhaps most importantly, the Australian community about the very difficult and highly contested issues associated with climate change. This continues an emerging theme with this government to abolish strong, independent voices and make sure that all advice to the Australian community and all advice to the parliament is filtered through ministerial offices or, more often, the Prime Minister's office.

The bills also abolish tax cuts, or changes to the tax free threshold established for the future, completely contrary to a promise made by the Prime Minister to keep the household assistance package put in place by Labor in full. And, as the House knows, the bills also seek to abolish the Clean Energy Finance Corporation.

These bills represent the culmination of the most hysterical and mendacious campaign in modern Australian political history. It is a campaign that rests on 10 whopping falsehoods about climate change that have been peddled across this country by the Prime Minister and
his fellow travellers. In the time I have to deal with these bills I want to deal with those 10 whoppers.

Whopper No. 1 is that the jury is still out on the science of climate change. That is a whopper peddled by the Prime Minister right across this land over the last four years. As we know, the Prime Minister famously described the science of climate change as 'absolute crap'. He only said that once; his usual formula is that the science—he calls it the 'so-called science'—is not yet settled. The member for Dawson, I read recently, said that this view represents the view of many in the coalition party room. Many in the coalition party room simply do not accept the science of climate change. To use the language of the member for Dawson, and many on the other side of the parliament, they do not 'believe in climate change', as if this were a question of faith rather than a question of science.

This is not a new perspective from those opposite. After his defenestration from the leadership of the Liberal Party, the member for Wentworth famously wrote, in a Fairfax newspaper, about the now Prime Minister's attitude to climate change but also the attitude of the majority of the coalition party room. In that article, the member for Wentworth reflected on the views of Nick Minchin. Nick Minchin is the man who collected the numbers to do over the Liberal Party's policy on emissions trading that had been taken to the election in 2007 by then Prime Minister John Howard. He dangled those numbers in front of any candidate for the leadership willing to go with his views.

The now Treasurer, apparently, to his credit resisted that temptation and stuck to his then principles of supporting an emissions trading scheme—unfortunately he has since discarded those principles—but the member for Warringah, now the Prime Minister, happily took the temptation. The member for Wentworth wrote in the Fairfax papers, immediately after that, that it was Nick Minchin's view, expressed to all of the candidates, that the majority of the coalition party room simply did not believe—again using the language of faith rather than science—in 'human induced global warming', to use the term of the member for Wentworth.

It is simply misleading to say that the science on this question is not settled. The Intergovernmental Panel on Climate Change issued its latest report—its fifth report—in September last year, and in that the 209 lead authors, supported by more than 600 contributing authors, lifted their level of certainty about the existence of climate change and its cause by human activity to 95 per cent. The member for Dawson complains that that is not 100 per cent. If, in coming to this place, the check-in staff at the Adelaide airport had said that you have a 95 per cent chance of making it from Adelaide to Canberra on your flight, then I might have declined to get onto the aeroplane. But, in scientific terms, 95 per cent certainty is seen as a gold standard. It is equivalent to the level of certainty that relevant scientists ascribe to the link between tobacco and lung cancer. Even at its highest, if it is only a 95 per cent risk—and the member for Dawson is right to complain that it is not a 100 per cent risk—what sensible person or member of parliament would not take reasonable action to hedge against a 95 per cent risk, which scientists have been telling us for years, if found out, would have such significant and serious consequences?

Maurice Newman, the Prime Minister's senior business adviser, tells us in regular op-eds in The Australian newspaper that the IPCC—those several hundred leading climate scientists who authored the fifth report—are a fringe group that do not represent the mainstream of scientific opinion. He is simply not right about that either. This is a view that the Prime
Minister has peddled as well. That hotbed of left-wing conspiracy, NASA, told us last year that some 97 per cent of climate scientists who regularly publish in this area agree with the IPCC that the climate is changing because of human activity. Our own institutions, such as the Bureau of Meteorology and the CSIRO—very widely respected institutions—have expressed the same view on many occasions.

Whopper number two that is peddled by the Prime Minister is that, if there was any global warming over the course of the 20th century, it has stopped—'Nothing to worry about here; it has stopped.' Even the Prime Minister has once said that the world has actually slightly cooled since the 1990s—'So, if there was anything to worry about, do not worry anymore.' This is something, again, peddled by Maurice Newman—the PM's leading business adviser—who wrote earlier this week in The Australian newspaper that it is actually since September 1996 that the warming has stopped. Again, that is just not true.

The World Meteorological Organization told us only some months ago that the decade of the 2000s was warmer than the 1990s, which was again warmer than the decade before it, and so it goes on as you go decade by decade back into history. NASA, over the course of the southern summer, told us that the 20 hottest years in the world on record are all since 1990 and that 13 of the 14 hottest years on record are all since 2000. The CSIRO and the Bureau of Meteorology have said time and time again exactly the same thing—that global warming continues to impact the world and continues to impact the world's oceans. In their latest State of the climate report, the Bureau of Meteorology and the CSIRO remind us that calendar 2013 was the hottest year ever in Australia, in spite of not being an el Nino year, which will usually see the hottest temperatures in Australia. In spite of not being an el Nino year, 2013 was the hottest calendar year ever in Australia, and there were 28 days in that calendar year that were among the one per cent hottest days ever in Australia—28 of them out of 365. That is the same number of days to get into that top one per cent band in temperature for the whole three decades, the whole 30 years, between 1910 and 1940. The world is continuing to get warmer.

Whopper number three by this Prime Minister and his fellow travellers is that the Prime Minister consistently refuses to acknowledge any link between climate change and an increase in the frequency and the severity of extreme weather events such as droughts, heatwaves, fires, storms and more. There are countless examples of the Prime Minister talking about this lack of any evidence of any link between these things, but perhaps the most unseemly example of it was the slanging match into which the Prime Minister entered with the senior official in climate change from the United Nations about the Blue Mountains bushfires which afflicted so many communities in New South Wales last year. The Prime Minister said that there was no evidence of any link between extreme weather events and climate change, and I have said—as many others on our side have said—of course you cannot draw a link between climate change and any single event. But that is not what the Prime Minister said. The Prime Minister said that you cannot draw a link between climate change and an increase in extreme weather events generally, and that is what conflicts with very clear scientific evidence.

I remember the minister resorted to some advice from Wikipedia—I am sure he remembers this as well—to point out that Australia has had bushfires for as long as records go back and as long as our Indigenous memory goes back, and we all know that to be the case. That is not the question. The question is whether there is an increase in risk, whether there is an increase
in the frequency and the severity of this type of extreme weather event, and you do not need to go to Wikipedia to find out about this. You can go to our own advice from the Bureau of Meteorology and the CSIRO. You can go to the minister's own Country Fire Authority from Victoria that talks about an increase in risk, severity and frequency of bushfires associated with climate change. The minister could have gone to his own departmental website, which talks about a quite clearly established increase in risk of this type of extreme weather event. You could have gone to the Climate Commission's report before the government abolished it.

The CSIRO and the Bureau of Meteorology, again in their latest State of the climate report published earlier this year, tracked the forest fire danger index—an index which has been tracked for many years here in Australia—and very clearly found that the risk of forest fires since 1970 has risen markedly associated with climate change. It is up by 50 per cent in the area around Melbourne Airport. The Bureau of Meteorology provides similar advice about the risk to Australia associated with climate change, with Australia experiencing more frequent and more severe heatwaves. All of this advice is quite clear—another whopper from the Prime Minister.

Whopper number four from this Prime Minister and his fellow travellers is that world leaders need not trouble themselves with this issue; that they should focus on the important things like economics and security; and that they should leave these things to environment ministers, because it is not an economic issue—it is simply a fringe environmental issue. Well, shortly before the Prime Minister's visit to the United States, President Obama said that this is 'one of the most significant, if not the most significant, long-term challenges that the United States and the planet faces'. The Tory Prime Minister of the United Kingdom, David Cameron, said climate changes is 'one of the most serious threats the United Kingdom and the world face'. Asked about this, our Prime Minister simply said, 'I don't think so.'

Blocking this from the G20 agenda has been a consistent position that the Prime Minister has taken in his position as chair—again, as if this is not a matter for world leaders but simply a matter that the Minister for Environment and his colleagues around the world should deal with, a fringe issue. Well, that is not the view taken by the rest of the world. In March, the United States and the European Union, together responsible for about half of the world's nominal GDP, signed a joint statement saying that 'sustainable economic growth will only be possible if we tackle climate change. This is a central economic challenge for the world's future'. In February, just a few weeks before that statement, the Premier of China, Li Keqiang, and the US Secretary of State, John Kerry, signed an expansive memorandum of understanding about the view of those two nations—the two largest economies in the world, the two largest emitters of carbon pollution in the world—that recognised 'the urgent need for action' leading in particular to 2015. This month Premier Li of China and UK Prime Minister David Cameron signed a joint statement recognising that 'climate change is one of the greatest global challenges that we face'.

And it is not just an economic challenge. President Obama has talked about the quadrennial US defence posture review conducted by the Joint Chiefs of Staff there. In particular, he remarked on the fact that the Joint Chiefs had identified climate change as one of the greatest threats to America's national security. Of course, why should any of that concern the members of the G20? We will just leave it to the environment ministers!
Whopper No. 5 by our Prime Minister and his fellow travellers was enunciated in his famous trip to Canada. There the Prime Minister said, ‘There is no sign that trading schemes are increasingly being adopted’—carbon trading schemes. ‘If anything, trading schemes are being discarded, not adopted.’ Again, that is not right. The only nation that is seeking to discard a carbon trading scheme is this one, under this government. It is simply not right to say that others are doing it. I will talk a little more in my remarks about the position of China. But South Korea, our third largest export partner, introduced a few weeks ago a tax of about $20 a tonne on thermal coal imports. South Korea is our third largest market for thermal coal. They are introducing a very broad emissions trading scheme on 1 January 2015. This adds to the long list of emissions trading schemes in place among many of our oldest trading partners—the United Kingdom, Germany, France and many others—and also many states and provinces in North America.

After the warm embrace of the Canadian Prime Minister, who shares the Australian Prime Minister's views on this matter, we know that the Australian Prime Minister let it be known to Australian journalists that he was going to set about building a ‘coalition of the unwilling’ who would fight the Americans, the Chinese, the Europeans and the Koreans—all of those other leaders who were intent upon taking real action on climate change. He said he would build that coalition in partnership with the Canadian Prime Minister and he even named the other members of the coalition—the New Zealand Prime Minister and the United Kingdom Prime Minister. But the problem was that he did not actually consult with those other members of this so-called coalition of the unwilling. And we know what then happened: to the great embarrassment of the Australian Prime Minister, the New Zealand Prime Minister was forced to say at a press conference some hours later that he was caught completely unaware by the Australian Prime Minister's announcement about his apparent membership of this coalition of the unwilling. And he restated New Zealand's commitment to taking strong action domestically on climate change but also to being a responsible, constructive part of international progress. And I have stated a number of times the position of the UK Prime Minister. Suffice it to say that the UK government came out very quickly to confirm that they had no intention of being a part of the Australian Prime Minister's coalition of the unwilling.

Whopper no. 6 that the Prime Minister and, frankly, also the environment minister have repeated time and time again over the last several years is that China will never take a serious action on climate change and certainly would never introduce carbon trading.

Mr Hunt: No, that's not what we've said.

Mr Butler: Perhaps the environment minister has not gone to the extent of saying China would never introduce carbon trading but certainly the Prime Minister has; this has been repeated by him and many others. I will concede that that is an important point because China has quickly become the largest emitter of carbon dioxide, the largest polluter in terms of carbon dioxide pollution. Despite the fact that China still only emits about a quarter of the carbon pollution per head of population that Australia does, in aggregate terms, being a very large country, it is now by far the biggest carbon dioxide polluter. It has been responsible for about two-thirds of all the growth in carbon pollution that has occurred since 2000. So I will concede that the Prime Minister is right to be focused on what is happening in China because it is such a significant part of what is, after all, a global problem. But again he is just wrong. Maybe it was a reasonable position to take a few years ago, but he should admit now that he
has been wrong and China has changed. Anyone who takes an interest in this area of policy will have noticed an extraordinarily significant change in policy from the Chinese leadership in the last 18 months, particularly because of the awful air quality in the northern part of that country.

I have talked about a number of the bilateral agreements, statements and memoranda of understanding that at a leadership level, particularly with Premier Li Keqiang, China has engaged in with the United Kingdom, the European Union and the United States. These are incredibly important statements of intent by China not just to do a whole lot of things domestically—which they are doing—but also, following the disappointment of Copenhagen, to be a leader, along with the United States, as one of the two largest economies and powers in the world leading into the very important conference that will take place in Paris next year. Last week the seventh emissions trading scheme started in China—some of them are at the provincial level, for example, in Guangdong, and some of them are starting up at the city level, for example in Shenzhen—with the expectation that the Chinese leadership will try to move to a national carbon trading scheme in the second half of this decade.

The Minister for the Environment often says that these permits are given away for free. Such may be the case in some of the different markets, but what is clear is that in all of those six markets that have been operating for a while there is now a burgeoning carbon trading market. If you look at Shenzhen, for example, which I think was the first emissions trading scheme introduced in China, a permit was trading last week—and I have not looked at this week's price—at the equivalent of about 8.5 euros, so higher than the price at which the permits would trade, on Treasury advice, under Labor's emissions trading scheme with a linkage to the EU scheme, higher than the price at which permits would trade under the amendments that I will be moving later in this debate.

Whopper No. 7 is that the carbon price mechanism, the framework that the government seeks to demolish entirely, would be a wrecking ball through the Australian economy. The Prime Minister used a whole range of different colourful epithets for this. He said it would be a cobra strike at the economy. He said that the South Australian town of Whyalla would simply disappear off the map. I think he made the same prediction about Gladstone and some other parts of Australia as well. Again, the truth is entirely different. The truth of the impact was exactly as Labor predicted. The economy did keep growing. More than 160,000 additional jobs were created in the first 12 months of this carbon price mechanism that, according to the now Prime Minister, was going to have a wrecking ball impact on the national economy.

Also what it started to do, along with our renewable energy policies, is drive down carbon pollution, particularly in the electricity market, which is the largest source of carbon pollution in Australia. We saw a reduction in carbon pollution of around seven per cent in the National Electricity Market in the first 12 months and, as we predicted, there was simply a modest impact on prices. That impact was more than covered through our household assistance package, particular for low-income and fixed-income households, like pensioners, and for middle-income households. The impact on power prices again was exactly as we predicted and again was covered by our household assistance package, particularly for low- and middle-income households.
Taking my own state of South Australia for example, power prices went up by about 4.6 per cent as a result of the introduction of a carbon tax. If our amendments are passed to move to an emissions trading scheme, Treasury's advice to us in government is that that impact would be reduced by about three-quarters. So the ETS impact on South Australian power bills would be in the order of 1.1 per cent and that is way more than covered by the household assistance package. To put that into context we should compare it to the increase over the last four years in SA power bills of 43 per cent because of investment in poles and wires—the network investment that has bedevilled electricity systems all around the country. That very significant gold plating of network infrastructure has led to very significant increases in power prices, which again the Prime Minister mendaciously tried to attach to the carbon price on many occasions.

Whopper No. 8 was the Prime Minister's statement to Alan Jones earlier this year that the renewable energy targets 'are significantly driving up power prices right now'. Again, that is simply wrong. Report after report released recently has put the untruth—I was going to use some other word—to that statement. The renewable energy policies that the Labor Party put in place over the last several years have been an unambiguous success. They have seen renewable energy capacity expand significantly. Wind power tripled under our time in government. When we came to government we saw the number of households that had PV solar panels go from 7,500 to more than 1.1 million households. They are getting out of the power bill race, getting out of the power bill trap, creating their own power and relieving enormous pressure on the grid, particularly in those parts of Australia that are impacted by heatwaves.

We saw the tripling of the number of jobs in the renewable energy sector. We saw billions of dollars come into this sector in investment to the point where by the middle of last year Australia was rated, along with the powerhouses in this area—China, Germany and the US—as one of the four most attractive places in the world to invest in renewable energy. It is no surprise that, since the election of the new government, Australia has slipped in that index a couple of places every quarter. I think it is now about eighth in the world when it was fourth. This has been an extraordinary success. As every renewable energy program in the world does—and there are dozens and dozens—it does have modest up-front costs but it also has swings and roundabouts benefits in the sense that it is suppressing wholesale power prices, particularly at the peak times for power during heatwaves when power might be sold for thousands of dollars, particularly in the south-east of Australia. Those prices have diminished by as much as 90 per cent in those peak times and that flows through to consumers.

I mentioned some reports that have been clear about this. The ROAM Consulting report that was released I think a month or two ago, the Bloomberg New Energy Finance report that was released a few weeks after that and even ACIL Allen's report, the consultancy engaged by the government as part of its renewable energy target review, have confirmed that prices will go up if the renewable energy target is removed because that suppression effect on wholesale power prices will be removed and consumers will be exposed to the almost certain increase in gas prices that we are going to see as the LNG capacity comes on in Gladstone.

Whopper No. 9 is that the government's direct action policy will achieve the bipartisan minimum target to reduce carbon pollution by five per cent by 2020. There is not one serious commentator that agrees with this whopper—not one serious commentator. It is a whopper.
that has been repeated by the now Prime Minister and by the now Minister for the Environment for four straight years with a straight face. I commend them for that, because there is not a serious commentator that agrees with them.

I had the opportunity to address this at length in a debate yesterday, and I do not propose to go through that again, except to say that in the most recent report about this, from RepuTex, a very expert modelling firm that works in this area, it reported that the direct action policy would fall about 70 per cent short of the target. Ken Henry, the former Secretary to the Treasury, confirmed earlier this year that, for the direct action policy to achieve the target, the government would have to spend between $4 billion and $5 billion of taxpayer dollars every single year to pay polluters to start to reduce their carbon pollution—rather than having an emissions trading scheme that has the polluters pay.

Whopper No. 10 was a whopper that the Prime Minister engaged in, again in his overseas trip. It was after President Obama released his Clean Power Plan, a very significant plan to start to reduce carbon pollution in existing power plants. This follows on from the President's plan to impose emissions standards or pollution standards on motor vehicles and on new power plants. This was about existing power plants, a reduction of 30 per cent in that pollution by 2030. The Prime Minister said—again with a straight face—that President Obama's plan was 'very similar to the actions that my government proposes to take'.

Once one gets through the laughter about that statement, one goes back to the member for Wentworth because the member for Wentworth expressed it better, I think, than anyone else has when he said about Direct Action that it is simply a 'fig leaf to cover a determination to do nothing'—and, for that matter, 'a recipe for fiscal recklessness on a grand scale' was the statement that the member for Wentworth made in the debate in this place. The direct action policy has no discipline on pollution whatsoever. The so-called safeguards mechanism has been discarded by this minister, so all you have is a dressed-up slush fund to pay taxpayers' dollars to big polluters to start to reduce their pollution.

Labor's position on these bills will be no surprise. It will be the position we enunciated clearly to the electorate in September, a position we have been advocating ever since, and that is to terminate the carbon tax now and to move to an emissions trading scheme that has a formal, legal cap on carbon pollution for the first time ever in this country, a cap that reduces over time and then lets business work out the cheapest, most effective way to operate. I foreshadow that, in the consideration in detail stage, I will be moving amendments to that effect.

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

Mr Clare: Yes.

**The DEPUTY SPEAKER:** I thank the member for Blaxland.

Ms SCOTT (Lindsay) (09:48): I rise today to speak on the package of bills to repeal the carbon tax. On 7 September last year, the Australian people spoke with a resounding voice. They spoke to have the carbon tax pulled. They no longer wanted to have their household budgets damaged by this reckless tax. We on this side of the chamber kept our promise to the Australian people, and today, for the second time, we are debating the carbon tax. We all recall former Prime Minister Gillard, on 16 August 2010, stating:

There will be no carbon tax under the government I lead …
To many honest, hardworking people living within the Lindsay electorate, that single, uncomplicated promise was enough to return my predecessor and his then mentor—for whom he was getting a tattoo—to the roles of trusted servants of the Australian people.

Fast forward to Friday, 16 August 2013. The temperature at Kingswood train station was a very brisk six degrees. As winter days go in the Nepean Valley, it was a perfect temperature, touching 22 by mid-afternoon. The vibe of the people at the station was positive and a constant one: they wanted change. Cost-of-living pressures, employment and the carbon tax were constant themes of complaint against the previous government. In the weeks leading up to election day, I had spent countless hours—and many pairs of shoes—meeting and talking with constituents face to face. In fact, we met with over 30,000 people across the Lindsay electorate. There were tales of woe of constituents who felt so, so let down by the previous government, deceived by the previous government, let down by a Prime Minister who recklessly claimed things and then went on against the wishes of the people who had elected her to be there.

It was heartbreaking to walk through areas like Werrington and see pensioners wrapped up in blankets, restricting themselves to one room of their home because they were too frightened to put on a heater on those cold days that we get in Western Sydney. This was the sort of pain that those opposite inflicted on Australians everywhere and the people of western Sydney, the people I now have the opportunity to represent. We found many other pensioners and seniors at their local clubs, be it the St Marys Band Club, the RSL clubs or their bowling clubs, because at least they could get away from the cool temperatures there because those clubs were heated. Perhaps one of the worst examples of the carbon tax was the pain imposed on a retired war veteran and his wife, whom I met when I doorknocked. They told me that their costs had increased and that they had—one again—confined themselves to one room of their home. This is not what they fought to defend in our country. I found it quite heartbreaking and disrespectful to stand there and to see our war heroes in those sorts of conditions.

For those of the members now in opposition who struggle to count past 10 with their shoes and socks off: the Australian people did vote to repeal the carbon tax. In Lindsay, 53,446 of the formal votes lodged on 7 September 2013 were against the ALP: that is, 61 per cent of the voters I represent told former the Prime Ministers, Julia Gillard and Kevin Rudd, and those opposite—whoever is in charge—that they did not want a carbon tax. On a national level, repealing the carbon tax will help families, strengthen our economy and remove a massive weight from this country's shoulders.

This package of bills currently before the House is a central part of the coalition's plan to build a stronger economy and help address the cost-of-living pressures on all families. We all have a moral responsibility as elected servants of the Australian people to honour the decision that the Australian people have asked us to make. In terms of dollars, the carbon tax will realise a $9 billion hit on the Australian economy this year alone. That is a $9 billion hit on jobs, a $9 billion hit on investment, a $9 billion burden on Australia that we just do not need and, more to the point, that we cannot afford. At home in Lindsay, the carbon tax is a burden on the budgets of our hardworking families. The repeal of the carbon tax will finally remove the pressure and stranglehold that has been placed on these families by the former Labor government.
As a result of this legislation, local families will be $550 a year better off. The opportunity this affords for families in the Lindsay electorate, from Penrith to St Marys, Glenmore Park to Cambridge Park, Kingswood to Castlereagh and Mulgoa—right across the electorate—is considerable. Lindsay is the fourth youngest electorate, so that $550 across a family's budget will have an important impact. For the 31,604 families in Lindsay, it will make a huge difference. It could mean more text books, tutoring for school kids, driving lessons for our teenagers, membership of the local sporting clubs or football team and, wait for it, the luxury of being able to turn on a heater in winter or an air conditioner in a hot, hot summer. For the 31,604 families, being $550 better off will be the result of the repeal of the carbon tax—$550 for a better future for these families; $550 that they can choose how to spend.

I am proud to be a part of a government that has been consistent, a government that supports the Australian people, a government that is delivering on its promises, a government that is committed to cutting $1 billion a year from the red tape that is currently choking so many businesses. The repeal of the carbon tax will mean that compliance costs will fall by around $87.6 million. This immediate relief will mean that local families and business owners such as those on High Street, Penrith, and Queen Street, St Marys, or in any of our industrial parks can get back to the job of doing business and stop jumping through so many government hoops.

Like all Australians, the people of Lindsay are a proud people and we will choose to make sacrifices if it means providing for a better future for our families. We do aspire to a lifestyle of choice and freedom and we resent those who attempt to take these things from us. A big part of our lifestyle is Western Sydney is sport and recreation and the choices we make to raise our families. Penrith is home of the Whitewater Stadium, which was a Sydney Olympics asset, so in the year 2000 we saw both rowing and whitewater rafting within the Lindsay electorate. The whitewater rafting site requires a lot of energy to pump the water from the holding dam into the top of the whitewater rafting course. Since the Olympic Games this site has become quite popular for both recreation and competitive sports for local groups and many families. In fact, it is an important tourist attraction for the region. As a direct result of the increase in electricity prices, the Penrith Whitewater Stadium has had to close during peak electricity usage times, after 1pm on weekdays, from April through to October. I refer to comments made by Jack Hodge, the Manager of Penrith Whitewater Stadium, in the *Western Weekender* on 14 February this year:

The carbon tax has also contributed to a forecast increase in our electricity bills by 15 per cent. We have been trying to reduce these costs through demand management by shutting down the stadium in the peak electricity times after 1pm on weekdays from April to October.

I would like to reiterate for the House how significant this is. This is an international sporting facility that leads to sporting teams from across the world coming to the Lindsay electorate, staying in our hotels, dining in our restaurant precincts, yet it has to be closed down because of the carbon tax and increases in electricity prices. This is about as reckless as you can get. It is damaging the people in Lindsay and it is damaging our economy in Western Sydney. It is absolutely appalling. How can we expect businesses to continue when they are up against these sorts of imposts?

I would also like to refer to Penrith council, which produced a report for a council ordinary meeting on the cost the council is facing. The report says:
The Carbon Price on electricity for 2013-14 is charged at … Based on Council's 2012-13 usage the estimated Carbon Charge for 2013-14 is just over $400,000.

The report also says:
In the period from July to December 2013 the cost of the Carbon Price to Council on waste services was $239,424. This is made up of $102,323 for waste sent straight to landfill, $34,629 for garbage processing, $73,867 for composting, and $28,605 for recycling. This equates to $478,848 once pro-rated for 2013-14.

For fuel costs, the report says:
Over a full year this equates to $26,900 potential savings if the Carbon Price is repealed.

The total saving for Penrith Council is $906,000 annually—nearly $1 million. The bottom line of the report for me, where the rubber really does hit the road, is when it says:
… electricity costs and fuel costs will be offset in the calculation of the rate peg.

In other words, straight through to the ratepayer, another way of hurting the people of Western Sydney.

That just goes to show how reckless those opposite are, to deliberately hurt the people of Western Sydney, to hurt the good families of Western Sydney.

I would also like to talk about what we are doing—the Direct Action Plan. It is great to have the Minister for the Environment here with us today because he has been a wonderful advocate for and supporter of the Cumberland Plain Woodland. The Lindsay community, together with Macquarie, will benefit from the $15 million boost to the bushland in Western Sydney. They will see a Green Army campaign of 15 Green Army teams working on local projects in the Cumberland corridor. This is an important environment reform, which will have massive significance for the people of Western Sydney. It will also provide employment and training opportunities for the local community through the Green Army and the 20 Million Trees program.

When we look at what we are doing to provide direct action on the ground, to work with local communities to reduce our impact on the environment, we can see quite clearly that we are supporting the people of Western Sydney. We are supporting families. These 15 Green Army teams will provide a massive boost to the families in Western Sydney, unlike those opposite who have done nothing but charge and charge through our councils, through increases in fuel prices, through the $550 a year of costs to the average families. I stand proud to support these bills today. I thank the Minister for the Environment once again for looking after the people of Western Sydney.

Mr KELVIN THOMSON (Wills) (10:01): The member for Lindsay talks up the coalition's Direct Action Plan but I have very little confidence that the Direct Action Plan will deliver effective carbon emissions reductions. I believe it will not do anything of the kind and the question that the House needs to ask in considering the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No.2] and related bills is whether this is the best way to reduce emissions or whether there are better ways. I believe the best way to reduce carbon emissions is to transition to renewable energy. I want to praise Clive Palmer, the member for Fairfax, for his announcement that his senators will vote to keep the renewable energy target. I also want to praise the member for Fairfax for indicating that his senators will not vote for two of the bills in the clean energy legislation package before the House—that is, the Clean Energy
Finance Corporation (Abolition) Bill 2014 and the Climate Change Authority (Abolition) Bill 2013 [No. 2]. This is inconvenient for Prime Minister Abbott but very encouraging news for the planet.

It is an inconvenient truth for the government that jobs and investment in regional areas in solar panels, solar hot water and high-efficiency appliances are contributing billions of dollars worth of economic activity each year. It is an inconvenient truth for this government that over 14 per cent of Australia's power was produced by renewable energy in the 2013 calendar year. It is an inconvenient truth for this government that more than two million household clean energy systems have now been installed across the country, with the majority being either solar power or solar hot water. It is an inconvenient truth for this government that investment in Australian clean energy during 2013 was, for the third successive year, over $5 billion. It is an inconvenient truth for this government that at the end of 2013 over 20,000 people were employed in the renewable energy industry. It is an inconvenient truth for this government that last year the 140-turbine Macarthur Wind Farm, the largest in the southern hemisphere, led one of the best years of large-scale renewable energy in recent years when 705 megawatts of new projects came online. And it is an inconvenient truth for this government that, perhaps somewhat counterintuitively, the renewable energy target will actually lead to lower power prices.

Modelling completed for the Clean Energy Council by leading energy market experts ROAM Consulting found that power bills would be more than $500 million cheaper across all Australian households in 2020 with the renewable energy target in place than if it were removed. Beyond 2020, this figure is even higher, rising to a maximum of $140 cheaper per household or a $1.4 billion total saving on power bills. This is because fewer renewables, such as wind and solar, would mean more of our energy would have to come from gas-fired electricity, which is becoming more expensive all the time. Indeed, the Australian Industry Group, which represents many of the country's large manufacturers and other energy users, said this year that the rising price of gas is emerging as possibly the biggest energy issue we face. They and others have projected that gas prices may triple this decade, causing massive problems for some of our more energy-intensive industries.

I have talked about the impact of rising gas prices on both manufacturers and consumers previously. I regret that no action has been taken to protect consumers from rising energy bills. Cutting the RET would make matters worse and, regrettably, the legislated review of the renewable energy target has undermined confidence in the industry and undermined investment.

The Liberal Party is quick to cry foul and make hysterical claims about sovereign risk if a Labor government takes any action which impacts on any company's bottom line, but the way in which it subjects the renewable energy industry to constant policy changes and rough handling beggars belief. These are real industries, mostly in regional areas, providing a real service in a carbon constrained world. They are the industries of the future. They are certainly the industries that economies from China to the US and Europe are now embracing and they deserve better.

This government's record on climate change has been quite shameful. It is not just the axing of the Climate Commission and the Clean Energy Finance Corporation and the Australian Renewable Energy Agency. It is not just the inquiry into the renewable energy
target or the shameful international positions the government has taken saying that no country can be expected to sacrifice resource revenue to tackle climate change. Is the Prime Minister not aware that the economy is a wholly-owned subsidiary of the environment—no environment, no economy?

But it is worse than that: the Prime Minister appointed Maurice Newman as chairman of his Business Advisory Council. Mr Newman has described climate change as a scientific delusion, says Australia is hostage to climate change madness and accuses the Intergovernmental Panel on Climate Change of dishonesty and deceit—and the Prime Minister makes this man his key business adviser! Is it a scientific delusion that in Australia average air temperatures have increased by 0.9 degrees Celsius since 1910? Is it a scientific delusion that since the 1950s every decade has been warmer than the one before it? Is it a scientific delusion that 2013 was Australia's hottest year since records began more than a century ago?

Given these facts, it would be crazy for governments and business not to take the forecasts seriously. These forecasts include more heatwaves, more droughts and more bushfires. It would be imprudent and negligent for either government or business to ignore this. The Intergovernmental Panel on Climate Change has predicted the displacement of between 13 million and 94 million people in south, south-east and east Asia from an increase in the size and intensity of tropical cyclones and resulting storm surges. The tragedy of disasters like this is that they are avoidable. The renewable energy industry has the capacity—if only we helped it rather than tried to strangle it—to take us down a very different path. In March, the CEO of the Clean Energy Council, David Green, said solar PV was transitioning from being disruptive technology to being incumbent technology. This is very significant indeed.

Climate change is a serious issue that demands a serious and effective response. It is time for the Prime Minister to acknowledge the flaws in what is an expensive, inefficient and ineffective direct action policy. Labor's position on climate change has not changed. We will not support the repeal of the carbon price unless there is a credible alternative that will deliver meaningful action to tackle climate change. We already voted to abolish the carbon tax in the Senate and replace it with an emissions trading scheme, and we will do so again when it comes before the Senate.

The Australian government's Climate Change Authority, a body which this government wants to silence, shut down and kill off through one of these bills, has indicated that 'climate change is unequivocal'; that 'human influence on the climate system is clear'; that 'Australia should be pursuing a stronger target'; that 'taken as a whole, the government's conditions for moving beyond a five per cent reduction appear to have been met'; that 99 countries are acting on emissions, with these including Australia's major trading partners 'covering over 80 per cent of global emissions and 90 per cent of economic output'; and China and the US are 'stepping up their efforts' to reduce emissions. Both have targets. 'China is investing heavily in renewable energy projects, closing inefficient power plants and trialling market mechanisms to reduce emissions'. Indeed, the authority's analysis shows that Australia can achieve a 15 per cent to 25 per cent reduction target while national income and the economy continue to grow.

I said that the member for Lindsay talked about Direct Action. Yesterday, the government put forward to replace Labor's initiatives—the initiatives which these bills seek to kill off—a bill to broaden the Carbon Farming Initiative to turn it into a key plank of the government's
direct action policy. That bill uses the mechanism of an emissions reduction fund. My concern is that the Emissions Reduction Fund will turn into a $2½ billion dressed-up slush fund paying large corporations for things that they were going to do anyway. I say this after closely examining the legal advice about that bill provided by Environmental Justice Australia, formerly known as the Environmental Defenders Office, to the Australian Conservation Foundation. Let me express great concern at the decision by the government in December last year to withdraw funding from the Environmental Defenders Office. It is a very short-sighted decision, and I take this opportunity to urge the Liberal government to reconsider it.

Environmental Justice Australia has said that it is very difficult to properly assess the scheme because important details are left to other legislation, to legislative rules, to the discretion of the executive or to the details of individual contracts that will be entered into between the Commonwealth and project proponents. Environmental Justice Australia notes that the scheme being created gives a large degree of discretion to the executive and the relevant minister; even when there are specific criteria or conditions set out in the bill, they are subject to executive variation; and, of course, this creates further uncertainty about the operation and effectiveness of the scheme.

They also raise serious concerns about the mechanics of the scheme. For example, sequestration offset projects can have a permanence period of either 25 or 100 years—that is to say that the period for which the proponent has an obligation to maintain the project and ensure that sequestered emissions are not released back into the atmosphere can vary. So, if you nominate a 25-year permanence period, you are subject to a 20 per cent reduction in the number of carbon credits you are entitled to. The white paper and the explanatory memorandum say the 20 per cent discount will cover the costs of replacing carbon stores if the projects are discontinued. But why the government believes that only one in five projects will go for 25 years rather than 100 years in these circumstances is very unclear.

I am also concerned about up-front payments. The white paper says that the Emissions Reduction Fund will pay for emissions as they occur and will not provide up-front payments. But the white paper also says that, in certain circumstances, there will be ways to deem or pre-calculate emissions reductions from certain activities. So the risk is that payments may be made for emissions that do not, ultimately, materialise. Furthermore, the scheme contains no explicit mechanism that relates to the performance of any contractual obligation and no penalties for failure to deliver the contracted quantity of carbon credit units. If the only way you can enforce a breach of contract is therefore through the common law, there can be little doubt that the absence of a penalty mechanism to promote compliance will act as a significant barrier to ensuring that contractual obligations are fulfilled. I also note that, while part 12 requires the regulator to publish information about the scheme, proponents actually get five years to report on projects. So it will not be possible to assess the effectiveness of the Direct Action scheme for a considerable period of time.

Last week I spoke in the House about a delegation from the Australian Conservation Foundation who had come to advise members of a petition from tens of thousands of Australians urging we 'Don't Drop the Ball on Climate Action'. They said to us as members of parliament:

For two years now Australia has had a set of laws called the Clean Energy Future Package, widely known by the public purely as the "carbon tax."
What is less known is that it is working. Australia's carbon price is doing its job of cutting our pollution, making it a safer, healthier country for all of us while also doing our fair share in the effort to tackle global warming.

We also know that in the past 12 months, Australia's carbon pollution levels dropped by more than it has in the past 24 years. We know that the Clean Energy Finance Corporation, part of the package, is making a profit while cutting pollution.

And we know this is happening while the economy … growing at 3.5 per cent in the past year.

Australians want to see us take action; 86 per cent of Australians want us to cut our carbon pollution, 45 per cent see global warming as a 'serious and pressing problem', a figure that is up 9 per cent from only two years ago.

The Australian public are speaking up. They are worried about global warming and they want Australia to do its bit.

We have the laws, already in place, that are working incredibly well.

And they ask us as parliamentarians to listen to the Australian people concerning this and to vote to keep these laws in place. I will be voting to do just that.

**Mr TRUSS** (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (10:16): Carbon taxing in this country is a costly, futile nonsense that should be brought to an immediate end through this bill and the other bills in the package. The cold, the hard, the indisputable reality is that nothing Australia does alone or could possibly do in limiting carbon emissions, even cutting them to zero, can make the slightest impact on our climate. Our gross emissions are globally inconsequential, barely one per cent, and are offset entirely by the rapid acceleration of emissions elsewhere in the world. If Australia stopped emitting every gram of greenhouse gasses from today, from this minute, and never emitted another, ever, our emissions would be made up elsewhere inside one year. The sacrifice would be utterly and absolutely pointless.

The only way there can be an appreciable reduction in global greenhouse gas emissions over time, carrying the theoretical potential to reduce the long-term impact on climate change, is if there is a concerted, coordinated, global effort that includes the world's biggest emitters, particularly China and India and especially the United States. The prospect for that is as remote now, probably even more remote, than it has ever been.

Members opposite are in total denial of these fundamental facts. Their carbon tax has inflicted great damage on Australian industry and our families. There has been at least a $15.4 billion negative impact on our economy, a $9 billion attack on Australian jobs. They have imposed cost on Australian families and the Australian economy through what is, ridiculously, the most comprehensive and among the highest carbon taxes on the planet on a fundamentally dishonest premise. They must know it in their own hearts that this was a fundamentally dishonest premise. It is a relic of the Labor-Greens deal, which of course ought now to be redundant, but Labor still hangs on to the carbon tax in spite of the fact that it is clearly no longer politically useful for them.

Labor's carbon tax has certainly made a significant contribution to the fact that unemployment rose by 200,000 people under the Labor government, much of it, clearly, the result of the carbon tax. Our industry ceased to be competitive, particularly energy intensive industry. Smelting and industries of that nature came to Australia because of our low-cost
energy advantage. But we have squandered that advantage. We have taxed it away. Carbon
taxing on our electricity costs has meant that we can no longer be competitive internationally
in energy intensive industries. This plus the renewable energy target have meant that, when
decisions are being made about extending the life of aluminium smelters and other heavy
energy consumers, those decisions—almost invariably these days being made in a foreign
boardroom which has the option of coming to Australia or being in other parts of the world—
are going against Australia. They are going to countries now where there is not likely ever to
be a carbon tax. They are going to countries that can offer the cheap energy that once
Australia was able to provide as an incentive. So refineries are already starting to close and, as
new investment decisions are required, sadly, others will close into the future. Thousands of
Australian jobs will be lost. Value-adding will go to other parts of the world. There will be no
new refineries or energy intensive industries built in this country.

Our car manufacturing industry is moving to a position where it will cease to exist—
another industry which requires significant energy. It has not just been the uncompetitive
work practices et cetera in this country that have led to the demise of the car manufacturing
industry; it has clearly been high energy costs, too, and the prospect that those energy costs
would continue to go up and up and up, because the Labor Party wants to lock in increases
in this carbon tax every year. We are only days away from seeing a practical example of that: the
carbon tax going up, because Labor has already legislated for it to go up on 1 July.

We hear reports of our airlines, for instance, chalking up losses and, if they were not
paying a carbon tax, those airlines would instead be returning a profit. Instead of our aviation
industry being at risk, it could in fact be trading profitably, if there were no carbon tax.

Many farmers are now having to make the decision that they cannot afford to irrigate. The
cost of electricity is so high that the increased yields they expect to get from irrigation cannot
justify the higher cost, so we lose productivity. This is a ridiculous tax. This is a tax on our
advantage. This is turning Australia into an uncompetitive country.

The renewable energy target, which is another part of Labor's high energy cost strategy,
adds to the enormous cost and energy cost that Australian industry will face into the future.
This is a tax that is having a significant impact.

The previous member in his remarks said that the carbon tax is working. It is working: by
closing down Australian industries therefore you do reduce your emissions; and if you close
down a refinery, there are fewer emissions. But then we are not going without aluminium or
steel or other products; we are buying it from other countries where there is no carbon tax and
no intention of having a carbon tax. This is the greatest case of self-inflicted harm that I think
any country has ever contemplated. We continue to use the products, but Australian jobs are
lost and we are not able to undertake this work.

Members opposite have been needlessly, artificially and wilfully inflating the performance
of other countries on carbon tax to try and justify their own actions in relation to
implementing their carbon tax. I am not sure that the former Prime Minister was being
deliberately dishonest when she said 'There will be no carbon tax under the government I
lead.' I think that she probably was intending that that would be the case but she was so
devoid of principle that, when it came to doing a deal to hang onto the trappings of office, she
was prepared to trade in those principles irrespective of the damage that it was going to cause
to our country.
The Labor Party keeps talking about examples in other parts of the world. They frequently tell us about China making huge efforts to reduce their emissions. A prime indicator of China's intent, according to the former Prime Minister, was that China was shutting down 'dirty' coal-fired power stations, was commissioning a wind turbine an hour and was drastically reducing its emissions intensity. All those examples epitomise Labor's deceit on the issue.

What the former Prime Minister did not say—and I am sure deliberately didn't say when she was talking about the closure of dirty coal-fired power stations—was that the ones being closed in China were small, very old, inefficient plants and that they were being replaced many times over by massive new coal-fired power stations, so that net emissions were—are and will be—possibly for decades to come going up and going up substantially.

For every gigawatt of coal-fired power capacity China has been shutting down, three were being built. There is no doubt they are cleaner. Some of the new technology that is available for coal-fired power stations and some of those being planned for Germany are right at the cutting edge of coal-fired generating technology: critical, supercritical and even hypercritical generators, built around advances in boiler construction that allows much higher pressures meaning less coal has to be burned to spin the turbines for a given amount of power. In net terms, and in spite of this technology, the reality is: China's emissions from coal-fired power are going up.

There have also been these suggestions that the Chinese are building a lot of wind farms. It is true that they are building a number of wind generators but they make a very, very tiny contribution to China's energy needs—about two per cent—and the reality is that China's total emissions are going up substantially. In 2000, China's total emissions were around three billion tonnes, around six times ours; in 2020, there are expected to be 12 billion tonnes, around 24 times ours.

There is no evidence that countries around the world are lining up to introduce carbon taxation schemes like the one this legislation abolishes. In fact not one of the top five emitters—China, the United States, India, Russia, Japan, generating between them well over 50 per cent of total global emissions—is proposing to do what Labor asked Australia to do. The reality is that there are very few emissions trading schemes anywhere in the world.

We look at New Zealand and Europe, the examples that are often put up. New Zealand a year or two ago introduced a two-for-one discount on their emissions trading certificates, so the real cost of their carbon trading scheme now is about $1.80 a tonne. Of course their scheme does not cover most of their economy.

When you move to Europe, the price is about $8 a tonne but, if you look at the real impact of the carbon tax on people in those economies, in Europe the scheme raises just over $1 per person per year. The New Zealand scheme also raises a very, very small amount of money. The European scheme is 400 times less onerous than the Australian scheme, so our scheme has 400 times the impact of the European scheme. There is no country in the world engaging in this level of self-harm. There is no logical reason why it should continue.

This government was elected with a clear mandate to scrap the carbon tax and reduce costs to business and households. Indeed, the last two elections were won by parties promising not to have a carbon tax. But Labor did not deliver; they welshed on their commitment. The
Australian people voted at the last election to get rid of the carbon tax. This government intends to honour its commitment. Now is the time for the Australian parliament to respect the wishes and the mandate of the Australian people and vote to get rid of this insidious tax.

Mr Giles (Scullin) (10:30): How extraordinary that the Deputy Prime Minister talks about this parliament respecting the mandate of the government after the debate we have seen on this budget of broken promises.

I rise in opposition to this package of 11 bills before us. I note, in doing so, as per the member for Port Adelaide, that this debate today represents the culmination of what has been, as he put it, a hysterical and mendacious campaign. I am very pleased to have the opportunity to be able to speak once more in this debate to put on the record again my views on tackling climate change. I am very proud to be part of the Labor Party that stood up for carbon pricing under Kevin Rudd, under Julia Gillard and now under the present Leader of the Opposition. I am proud to be part of a party that looks to the evidence and, in doing so, looks to our future.

Yesterday I did not get the chance to speak on the direct action or, rather, the carbon farming initiative legislation. The gag that was imposed once again betrayed the lack of confidence this government has in its policy settings, and rightly so. The member for Charlton, in his contribution, put to rest the straw men that constitute the best the government can put up in this case, as we saw through the contribution of the Deputy Prime Minister. I urge members opposite to look at Hansard to consider the contribution of the member for Charlton in yesterday's debate and perhaps compare that to the international overview that the Deputy Prime Minister offered us a few minutes ago.

Fundamentally, this is a government that does not have the courage of its convictions. This is a government that is continually afraid of debate and afraid of scrutiny. This is particularly disappointing in a debate such as this, a vital debate around Australia's future. This debate, or rather the management of it, over the past few months demonstrates the lack of bona fides the government has in the area of climate change, and that the tawdry political fixes that brought the current leadership of the government together are hurting Australia's economy as well as our environment. Of course it has not been a great couple of days for the environment minister—or the person we are to refer to using that title—because, whatever he may be, his record on the environment is less than zero.

Mr Bowen: The artist formerly known as—

Mr Giles: Yes, 'the artist formerly known as', as the shadow Treasurer says. I could not get the minister to respond to me in question time yesterday despite my best endeavours to help him out. But I do hold out some hope that he may be able to revert to type. Perhaps he can, in light of yesterday's events, dust off that thesis of his and walk away from the tragic history of the coalition's retreat from rationality and reality in the challenge of climate change.

We have seen some progress in the debate on climate change in very recent days. The Palmer United Party, it would seem, has looked to the evidence and to the future and has indicated it will support the continuation of the RET, the Climate Change Authority and the Clean Energy Finance Corporation. This is good news, great news and a sensible development. In carbon pricing, the position is less clear, but I am hopeful. In that regard, I look to some comments of the Climate Institute from last night. They look to the fact that Mr
Palmer is open to a meaningful debate, an evidence based debate. Mr Connor from the Climate Institute said:

It should be recognised that Mr Palmer has come a long way today and declared he has an open mind on the issue.

An open mind is really what we all should have in this challenge, and I hope members opposite in the coming weeks will follow Mr Palmer's example. I note also that the Climate Institute's polling indicates that Australians are demonstrating that they have an open mind on these matters. Despite the campaign of hysteria, the mendacious campaign waged by members opposite, Australians are seeing beyond this hysteria and more Australians now want to keep the current carbon laws rather than repeal them, and the majority clearly think that the Abbott government should take climate change more seriously. This is progress, and I am sure it is a curve that will continue.

This is a cynical act of a deeply cynical government which always goes to the lowest common denominator. In this case, the lowest common denominator means the climate change deniers, although at least they are honest. It is those who have conjured up this absurd policy who really are to blame here, because in their hearts they know better, which is why they have been hiding from the debate.

As I thought about my contribution in this debate, I thought about two matters that have been consistently put by government members in the debate on the budget: the refrain, the pompous refrain that Labor is all politics and no policy—a favourite of the Treasurer—and the feigned concern for questions of intergenerational equity. I think both need to be applied to this debate. When I think about this politics charge, is this not the purist politics on the part of those opposite? They cannot find a disinterested expert to back in their position, and media releases from the likes of the Minerals Council are no substitute for that sort of evidence based analysis from disinterested parties, economists or climate scientists.

This is of course all about a price that has been paid in the leadership of the Liberal Party. It is all about the internals of the coalition giving way to the hard right. Concerns of intergenerational equity, spoken of so often in the debates on the budget, go to the heart of this debate. It seems pretty elementary to me that concerns of equity and sustainability go hand in hand. How can any of us deny our children and their children the quality of life that we have enjoyed, in particular, the opportunity to take pleasure in our wonderful natural environment? On this point, a few moments ago, the Deputy Prime Minister of Australia put the proposition, in effect, that what we do in Australia is immaterial. This is morally bankrupt. A developed economy, a high-emitting economy like Australia must play a leadership role. We must do our share in meeting this great global challenge. The alternative is unpalatable and morally wrong.

What is at stake today? We see 11 bills to amend a number of acts as well as some consequential amendments to a range of non-carbon related acts. What is at stake here is the abolition of the price of carbon and the removal of the ETS without any mechanism to take its place; the removal of important industry assistance, including support for Australian jobs through the steel transformation plan; the abolition of the Climate Change Authority, although we have had good news on that; and the abolition of the Clean Energy Finance Corporation, although again there are grounds for optimism there—and that would, of course, cease any commercial term loans to help new, ambitious renewable projects over the estimates. I also
note that this is legislation that is designed to work retrospectively if adopted after the end of this financial year—a presumption we should always be cautious of.

As the member for Port Adelaide has mentioned, the House and the Senate have already dealt with these bills. Then as now, we saw from this government procedural games seeking to prevent meaningful debate in this place. I simply say that the self-satisfied cleverness of the Leader of the House is obviously pleasing to him but makes even clearer the case that this is at its heart a mean and tricky government without the courage of its convictions. There are parallels between this government's aversion to debate, this notion of policymaking as a game, and its aversion to the science of climate change.

As I have previously said in this place, I believe that taking effective action on climate change is the most urgent priority facing Australia. Unlike members opposite, I believe that putting a price on carbon must be at the core of taking effective action. I believe the scientists of climate change, not the member for Dawson, and I believe the economists on how we should respond to meeting this great moral challenge. And of course there is a consensus in both of these communities of experts that flies in the face of the actions of this government. I refer members opposite to September's fifth assessment report of the Intergovernmental Panel on Climate Change. It is important reading, and I urge them to have regard for those findings.

While we have heard the numbers plenty of times, I think and hope they are worth repeating. Perhaps, like Mr Palmer, members opposite may develop open minds. Ninety-seven per cent of climate scientists concur that climate change is driven by man-made greenhouse gas emissions. I am not sure about the Minister for Agriculture, and I hope that he makes a contribution to this debate. I look forward to hearing his contribution on these matters as I always look forward to his contributions in this place. Also, 86 per cent of economists, normally the friends of members opposite—normally the friends of last resort on economic matters—support an ETS as the cheapest and most efficient way to reduce carbon pollution. The contrast with the lack of support for so-called 'direct action' is striking.

Labor has consistently promised to put a price on carbon. I was elected to this place on this basis and I will continue to act accordingly to support a price on carbon. Putting a price on carbon is, of course, the most efficient way to allocate capital to cleaner ways of producing and using energy. We need also to put a cap on carbon pollution. We need to continue to support the development of our renewables industry, a job-creating industry, and we need to retain the Climate Change Authority so the Australian people can continue to have the benefit of that. It is what this government fears the most in this area of policymaking and right across the board: high-quality, independent advice to drive considered public policy debate in this place and in the community. We need to replace a backward policy, a policy that is all about a political fix—an internal political fix at that—the Liberal Party policy, which simply will not work, with one that will: an emissions trading scheme replacing the carbon tax with a market based mechanism that caps pollution and lets businesses determine the most effective and cost-effective way to operate under that cap. I am sure the Minister for Small Business in his heart of hearts would look to that example. As we know, there is a wide range of modelling, in particular from Treasury, that tells us that in earlier years we would also significantly reduce the cost of living as well as reducing the cost of carbon. We would reduce the cost of living while maintaining Australians' capacity to enjoy a decent standard of living into the future.
I think I should touch briefly on the Clean Energy Finance Corporation—not least because my capacity to participate in the specific debate in respect of that legislation was, unsurprisingly, gagged. I think I should make mention of the fact that that body has been a great success and will return real dividends. In its first months of operation it has been strikingly successful at providing loans to organisations, and over time we see the capacity to make investments that would account for 50 per cent of the five per cent emissions reduction by 2020 target at a profit to the taxpayer of $2.40 a tonne. In 12 months we have seen great success; but, despite those successful operations—again, in defiance of the evidence—through these bills the government is again seeking to abolish the Clean Energy Finance Corporation. This is a government that has been unable to see past its ideological blinkers and appreciate the role the Clean Energy Finance Corporation has been playing in facilitating investment in renewable energy that would otherwise be missed by normal commercial banks. It is the sort of innovative public policy that Labor is up for and members opposite are in denial about.

The choice today is stark. We have a choice to be open minded like Mr Palmer—a choice to stand up for our children and their children—or to blink in the face of this great moral challenge, to blink, as the Deputy Prime Minister has rightly put it, from our moral responsibility to play a leadership role, to blink and reduce our future to meaningless, misleading three-word slogans. The choice before us fundamentally comes to whether it should be polluter-pays or paying polluters that guides Australia's policy approach to this area. The coalition's approach is focused on the creation of an allegedly $2.5 billion emissions reduction fund, the core of Direct Action, which would pay Australian companies to reduce pollution. So, where the Labor focus is to cap the amount of pollution that can enter the atmosphere and then have a system for business to find the cheapest way to reduce pollution, the coalition will simply use taxpayers' money to pay big polluters.

I note, briefly, that independent research and modelling undertaken by SKM-MMA and Monash University Centre for Policy Studies shows that this fund will see pollution increase to eight to 10 per cent above 2000 levels by 2020, will reduce pollution by a third less than Labor's policy, will require significant additional investment to achieve the 2020 target, and will see both costs and pollution increase over time. In doing so, it will subsidise the pollution of businesses that do not make changes.

Despite these issues and the posturing by the coalition, there is still no comprehensive approach that marks anything like a credible alternative to Labor's policy. So, we in the Labor Party want to tackle climate change in the most cost effective way possible. That is why we support replacing the carbon tax with a system that puts a legal cap on carbon pollution and lets business work out the cheapest and most efficient way to operate within that cap. The science is settled here, and the way forward is clear. To turn our backs on science, economics and, indeed, the rest of the world is not an option. To mortgage our future on the farce that is direct action is not an option. I know that Labor stands on the right side of history in this debate.

Mr JOYCE (New England—Minister for Agriculture and Deputy Leader of The Nationals) (10:45): I would like to start by thanking the Labor Party. I would like to thank the Labor Party and the Greens for coming up with such a dopey policy that they ended up in
opposition. I would like to thank the Labor Party and the Greens for standing behind that policy in such a way that they churned through their leaders.

I would like to thank the Labor Party for getting themselves into such a position that they got annihilated in an election. I would like to thank the Australian people for realising how stupid the policy was, and I would like to thank the Palmer United Party for realising that we must honour our election commitment and scrap the carbon tax. As I have said before, it was nothing but a big, new, broadbased consumption tax. It was a broadbased consumption tax, based on power, to connect every household to the Australian Taxation Office via something slightly above their skirting board called the power plug. No matter what they did in their lives, in an inelastic form they were going to pay more for it.

Every time someone turned on the electric blanket the carbon tax was in bed with them. When they opened the fridge, a little white light went on to remind them that the carbon tax had been with them all night. When they turned on the kettle the carbon tax was having breakfast with them. When they went to work the carbon tax would go with them, because those opposite still believe that there should be a 6.85c per litre increase in diesel prices. When they turned on a photocopier the carbon tax could replicate itself. When they turned on the light the carbon tax would be in the office with them. It did not matter what they did. If someone tried to fly away from it, they would find that the carbon tax was on aviation fuel. But it would only be on the aviation fuel when they were flying away; if they took another airline it would not be there. It was the most absurd idea.

Those on the other side of the chamber believed that they could single-handedly change the temperature of the globe. How did they go? They might be going all right at the moment; it's been rather cold lately. We have had a bit of snow. Maybe it is working! Or maybe we were just being ripped off. And maybe it is about time that this rip-off is changed.

I was in the chamber the other day when the member for Hunter said those on the other side of the chamber still believed in terminating the tax. He said that. If you go back to the Hansard you can read the comments that were made. So there are still terminators on that side; it is just that they are, sort of, varying.

Now we have a bit of a schism in Nimbin because the Greens are on one side and there are variant views in the Labor Party about where they are. This is the ultimate wedding present for the Labor Party and the Greens. It represents the matrimonial fit of the Labor Party and the Greens. It represents how the right wing of the Labor Party can be stepped on by some of the mad antics that were proposed by the Australian Greens.

Let's look at some of the other ridiculous combinations and permutations of this big new tax—this extra tax system. It was the case that the moment you got to 25,000 tonnes of carbon emissions in an abattoir you triggered a $24 a tonne tax. That means that when you processed that extra beast it would cost in excess of $600,000. Who came up with this stroke of genius? Those on the other side of the chamber did. And they have written books about it. They still stand behind it. The member for Lilley still believes in it. They are all still here, but if they want to stand behind this policy they will stay in opposition. They will stay in opposition because the Australian people will not have the wool pulled over their eyes about this. It is going to be rather interesting today to see whether the Labor Party, the former Treasurer, the member for Grayndler and the Leader of the Opposition forthrightly stand behind this dopey
tax that they took to an election and got absolutely annihilated on, or whether they can see the reality.

Apparently, the former Vice President of the United States of America—God bless his cotton socks!—also believes that the policy is dopey. I do not know where your friends are these days. Where are they? Who still believes in this? Maybe the shadow Treasurer still believes in it. We know that some of the members from Western Australia are not very keen on the idea, at all.

It was a great epiphany for the Australian people to realise that now it is quite apparent that the numbers are available to get rid of this ludicrous tax. This tax did nothing to cool the temperature of the globe but did everything to destroy the Labor Party's and the Greens' chances of ever being in government.

Mr Billson: It was a tax on cooling your beer, wasn't it?

Mr Joyce: As you said, it was a tax on cooling your beer. It was a tax on everything but it delivered nothing but absolute, unmitigated chaos.

Mr CONROY (Charlton) (10:51): I am incredibly pleased to be following the Minister for Agriculture, whose contribution was spectacular in its incoherence and in its complete misunderstanding of economics. And I am glad I followed him, because he has been writing the coalition's climate change policy since 2009. This repeal bill marks the death of liberalism. It marks the death of Deakin's Liberal Party. It marks the ascendancy of the DLP and of reaction within the coalition. This bill is a repudiation of using an efficient, market based mechanism to combat climate change and instead resorting to incredibly inefficient, Soviet-style command and control that would do comrades Lenin and Stalin very proud. They would be very proud that Comrade Abbott delivered that legislation.

The truth is that this legislation to repeal the clean energy future package is built on multiple lies. These lies include that the jury is still out on climate change, that there is no link between climate change and extreme weather events, that climate change is not a priority for world leaders, that there is no international action around emissions trading schemes and that the carbon price is a wrecking ball through our economy. I intend to touch on all five in my address.

We saw the first one again from the Minister for Agriculture, who did not quite come out and say it but is well on the public record as saying that he does not accept the science of climate change. That has been confirmed by people like the Prime Minister, who has said, 'Climate change is complete crap.' We have also had other contributions such as talking about 'grapes growing on Hadrian's Wall' and other spectacular contributions that demonstrate that the coalition's policy is premised on the fact that they do not accept the science of climate change. They stand on the side of the climate sceptics, such as Monckton and Alan Jones; we stand on the side of reputable scientists around the world, such as CSIRO, the Bureau of Meteorology and NASA.

Let us repeat the pertinent fact here: 97 per cent of published scientific papers on climate change—of peer-reviewed papers—have found that climate change is occurring and that it is man made. Let me repeat that—97 per cent of peer-reviewed scientific papers on climate change have found that it is occurring and that it is man made. Those on the other side do not accept that. They might pay lip service to it, but they demonstrate that they do not accept it by
their actions. Scientists have now said that they are as certain of this link between the actions of man and climate change as they are of the fact that tobacco and smoking cause cancer. That is how certain they are of this link; yet those on the other side continue to repudiate it.

They also do not accept that there is a link between climate change and extreme weather events. No responsible person would claim that one extreme weather event is specifically caused by climate change, but what reputable scientists have said is that climate change—the atmosphere and sea temperature warming—drives an increase in the number of extreme weather events and increases the severity of those weather events. We are already seeing that now, where we have got an unusual number of extreme weather events occurring around the world today. Those on the other side repudiate that because they cannot face the truth about the significance of climate change as a global challenge.

Thirdly, they claim that taking action on climate change should not be an international priority. We saw the Prime Minister's ridiculous attempts in Canada—or 'Canadia', as he referred to it—to form a coalition of the unwilling, where all these conservative governments would stop international action on climate change. That was notable for two reasons. Firstly, that acknowledges that there is international momentum on climate change—because why else would you try to stop it? Secondly, it was notable because he could only find one conservative friend to join his coalition. The UK government, a conservative government, and the New Zealand government, another conservative government—both of whom have market mechanisms in place to combat climate change—repudiated and rejected Prime Minister Abbott's ridiculous attempts. They repudiated them because the world is moving towards action on climate change.

Right now, one billion people live in nations or provinces where there is an emissions trading scheme. By 2016, that will be three billion people living with emissions trading schemes at a national or subnational level, and they include 13 of our 20 top trading partners, including our top five trading partners. China have trials of emissions trading schemes in seven provinces and cities that cover 250 million people, and they have plans to have a national emissions trading scheme by 2015 or 2016. That is our number one trading partner right there.

Within the United States, we saw the ground-breaking announcement by President Obama very recently of a 30 per cent reduction in emissions from coal-fired power, and he is leaving it up to each state to achieve that cut. A very significant number of states, including California, the eighth largest economy in the world in its own right, will use an emissions trading scheme. President Obama has stated that his preference is for a national emissions trading scheme, but the Tea Party reactionaries in congress prevent that, just as the Tea Party reactionaries over the other side of this chamber are opposing concrete climate action. In Japan, there are carbon prices in existence right now. South Korea has a legislated ETS that will start next year—it is the law of the land in South Korea and it will begin next year. The truth is that, by 2016, three billion people will live in nations where there is an emissions trading scheme. So we are not leading the world—we are not even a first mover—but we need to be part of the solution rather than being part of the problem.

The fifth lie that this repeal legislation is built on is that somehow the clean energy future legislation is a wrecking ball destroying the Australian economy as we speak.
Mr Baldwin: Mr Deputy Speaker, I rise on a point of order. I ask the member to withdraw the word 'lie'. It is offensive and it is against parliamentary language. He is repeatedly using it and I would ask him to refrain.

The DEPUTY SPEAKER (Mr Whiteley): I would call on the member to refrain from using the word 'lie', particularly where it is linked to a member. The minister has taken offence, and I ask the member to withdraw.

Mr Bowen: Mr Deputy Speaker, on the point of order, standing orders are clear about reflection on members, but the member for Charlton was not reflecting on any individual member; he was reflecting on a policy debate and making a very good point.

Mr Baldwin: Mr Deputy Speaker, further to that point of order, the use of the word 'lie' in parliamentary debate is unparliamentary in itself, whether or not it is reflecting on an individual member. To claim that parties or persons have lied has been ruled by previous speakers as unparliamentary.

Mr Bowen: Further to that point of order, there is plenty of precedent which could be argued the other way on this matter, and the member for Charlton should be allowed to proceed and continue to make his very excellent points.

The DEPUTY SPEAKER: Thank you, all members. I call on the member for Charlton to consider those comments that have been made and to continue with his contribution.

Mr CONROY: Thank you, Deputy Speaker. It is a gross untruth to argue that the carbon price is a wrecking ball through our economy. Let us look at the actual facts. Facts should be the foundation of debate in this place, but unfortunately those on the other side have a very passing familiarity with facts. The truth is that, since the carbon price began, we saw 160,000 jobs created in the first year of the scheme alone, we have seen very strong economic growth during this period, and we have seen inflation within the Reserve Bank's band of moderation. The economy as a whole has been performing reasonably well during this period—so no economic wrecking ball. What has actually happened is that it has been working; it has been driving down emissions.

The emissions for the national electricity market since the carbon price began have fallen by 17.2 million tonnes, or 10 per cent of total emissions, from the national electricity market. This is increasing renewable power generation by 37 per cent and the carbon intensity of the energy grid has fallen. So anyone on the other side who says the carbon price is not working is perpetuating a massive falsehood not supported by facts. And the government's own figures, produced by the Department of the Environment and endorsed by the Minister for the Environment, show that, in the first two years of the carbon price, emissions in the economy are 40 million tonnes less than they would otherwise be—because we have a fixed price emissions trading scheme.

And what of the scare campaign of those opposite? Those opposite participated in the most despicable scare campaign this country has ever seen. The Prime Minister donned a high-visibility vest and travelled around the country for three years scaring the life out of pensioners and workers. There is no more despicable act a politician can do than to scare pensioners and workers.

Mr Baldwin: You are a hypocrite!

Mr CONROY: But that is what they did. Let's look at the facts.
Mr Bowen: Mr Deputy Speaker, on a point of order: the parliamentary secretary at the table needs to withdraw that remark.

The DEPUTY SPEAKER: I think that is a reasonable request. I call on the parliamentary secretary to withdraw.

Mr Baldwin: Withdraw the fact that he is a hypocrite!

Mr Bowen interjecting—

Mr Conroy interjecting—

The DEPUTY SPEAKER: Order! That is also unacceptable.

Mr Baldwin: The first point of order is addressing that. It is not the member himself who has taken offence but somebody else in the chamber, and the comments were not made against the person who has asked me to withdraw.

The DEPUTY SPEAKER: I would ask the parliamentary secretary to assist the House. He did direct his initial comment to the member, and I ask him to withdraw.

Mr Baldwin: If it helps in the order of the House, I withdraw.

The DEPUTY SPEAKER: Thank you, it does. I call the member for Charlton, from whom I would ask for the same level of civility.

Mr CONROY: Unlike the other member, I withdraw unconditionally. We have seen two interventions from the member for Paterson because he is ashamed of his actions on this topic—and he should be. But let us look at their scare campaign: Whyalla still exists; I am yet to find a roast that costs $100, despite the Minister for Agriculture's exaggerated action; and resource exports are still strong. Some 160,000 jobs were created in the first year of the carbon price despite the claims of those opposite. The climate change actions of those opposite are built on sand. It is the worst form of DLP style reaction. They reject market mechanisms and instead resort to a Soviet style command and control slush fund—and they cannot find a single reputable economist who supports it. This is a long way from where the coalition was a few years ago. In 2007 they went to an election promising an emissions trading scheme. The member for Paterson campaigned on an emissions trading scheme based on the Shergold report—which we picked up—called the CPRS.

Mr CONROY: We have interjections from those opposite that somehow what happened at Copenhagen caused them to change their views. Nothing could be further from the truth. They changed their position well before the Copenhagen climate change conference. They changed their position in 2009 when Malcolm Turnbull was knocked off by Tony Abbott. Tony Abbott, a self-confessed weathervane on this issue, saw a political opportunity to knock off the member for Wentworth. So he reversed his position. He previously supported an ETS, and he also supported a carbon tax at other points in time. He saw the political main game and, with rank political opportunism, chose to knock off the member for Wentworth. So let's have none of this rubbish that they changed their position on the basis of circumstances overseas.

The truth is that every reputable economist in the world has found that a market based mechanism is the best way of combating the negative environmental externality of carbon pollution and climate change. An ETS is the best way of doing it. We have always supported
a flexible price emissions trading scheme. We were forced to begin with a fixed price period because of the economic lunacy of those on the other side. But our stated policy is a shift to a flexible price emissions trading scheme as soon as possible. I am very proud to support an emissions trading scheme. Unlike those opposite, the Labor Party has had this as a longstanding policy because it is the best way of combating climate change.

People who are opposed to an ETS are not just taking political points, they are opposing concrete and efficient action on climate change. What they are saying to Australia is: ‘We don't care about future generations. We don't care about taking advantage of the clean energy industrial revolution. We don't care about the fact that the countries that will succeed in the next century will be those that successfully decouple carbon pollution from economic growth and develop new technologies to take advantage of the future. We want to be a rustbelt economy.’ That is what those on the other side are saying through their actions. They are not just pursuing cheap populist politics, they are condemning this generation and future generations to an environment and economy in worse shape.

I am proud of the stance Labor is taking on these bills. I am proud of Labor's environmental record. I will be able to look my daughter in the eye and say that I took action and stood up for this generation and future generations in combating climate change. I will be able to look my daughter's children in the eye and say I fought for current and future generations. Those on the other side stand condemned as reactionaries who put their narrow political self-interest above the national and global interest. When this nation has asked them to do the right thing from an economic and environmental point of view, they have been found wanting because of their cant, cheap populism and hypocrisy. I am proud to oppose this repeal legislation.

Mr BALDWIN (Paterson—Parliamentary Secretary to the Minister for Industry) (11:06): I rise to speak today in support of repealing all of the carbon tax measures. These measures are affecting our community, our society and individual families. In fact, no-one escapes it each and every day. The previous speaker said he is against repealing the carbon tax because he wants to be able to say to his daughter that he stood firm. I accept that wholeheartedly. But the same member has voted to support massive levels of debt which will also affect his children, and his children's children for generations to come, unless action is taken.

In speaking to these carbon tax repeal bills today, it is time to commence action. I rise today to tell Labor that it's time, to use one of their old slogans. I rise today to represent the unemployed in my area and ask Labor to assist them. I rise today to represent those who are affected by the increased costs of living caused by this carbon tax. I ask Labor to support them today. There is no difference between the outcomes that the coalition seek in reducing our carbon emissions and those that the Labor Party seek. We have a common objective, a common agenda, to reduce emissions. Our intention on that is as solid as it can be, albeit our method of approach will be vastly different.

I say to the Labor Party: it is time to listen to what your constituents have said. There can be no doubt whatsoever that at the last election the overwhelming verdict of the people was to get rid of the carbon tax and all its measures. By repealing this carbon tax we will be putting $550 back into the pocket of the average Australian family. I have sat here and listened to members of the opposition talk about costs of living, the effects on pensions, the effects on the unemployed, the effects on those on low incomes and the effects on families, but I say in
all sincerity that it is hypocritical, to say the least, to plead the effects on individuals if when they have the opportunity to address that and provide relief they refuse to step up to the plate and do what is required.

It has now been over nine months since the election. For nine months the Labor Party, in cohorts with the Greens, have been blocking this key election commitment made by the coalition and the verdict delivered by the Australian people. The promises we made to the people are clear, are irrevocable and need to be delivered. A mandate was delivered. It can also be argued that in the second Senate election in Western Australia the people gave a clear mandate to get rid of the carbon tax and the mining tax, which we will be debating later today. It is clear. It is not clouded. It is irrefutable.

Clearly, as I said, once these bills go through energy costs for a household will fall by $550 a year on average. We have already seen electricity companies talking about not putting the carbon tax on their bills from 1 July in anticipation of the repeal of these insidious taxes that were brought to this House on the basis of a lie. We are not alone in wanting to get rid of the carbon tax. Earlier I talked about hypocrisy—running out to the media and saying one thing and then coming into the House and doing another thing. Former Prime Minister Kevin Rudd and the member for Port Adelaide said at a press conference on 16 July 2013, ahead of the election:

The Government has decided to terminate the carbon tax to help cost-of-living pressures for families and to reduce costs for small business.

On that point alone I say to members opposite: live up to your commitment made prior to the last election and get rid of the carbon tax—or is it the same quality of commitment as that made to the people by the former Prime Minister when she said, 'There will be no carbon tax under a government I lead'? Going into the 2010 election the Prime Minister indicated that there was going to be no carbon tax—hand over heart; genuine commitment: 'There will be no carbon tax under a government I lead.' Going into the last election then Prime Minister Rudd and the now shadow environment minister, Mark Butler, said on 16 July:

The Government has decided to terminate the carbon tax …

If they decided to terminate it, why have they changed their minds now? Why is it that now that they are in opposition they have changed their minds? The member for Port Adelaide, Mark Butler, is a repeat offender of telling Australians one thing and then doing another thing here in the parliament. He said at a morning doorstop in this place on 18 November 2013:

The government and opposition are as one. We agree the carbon tax should be terminated by next year.

Today is the day to step up to the plate and be as one. You made the statement. You said something at the doors of parliament and all we hear today is, 'Sorry, but that was yesterday.' Further, on ABC Capital Hill on 17 June 2014—how many days ago was that?—fewer than 10 days ago, he said we should terminate the carbon tax.

Mr Tudge: The Terminator.

Mr BALDWIN: I have another name for it. Out in the country where I come from we use a slightly different name. I will not go into that because I respect parliamentary debate and discussion.

The DEPUTY SPEAKER (Mr Whiteley): No, we won't, thanks.
Mr BALDWIN: I say to the Australian people who are listening to this: you cannot go out to the people ahead of an election and tell them you are going to do one thing—and we saw that with the carbon tax—and then change your mind. We saw them announce for political advantage days before the last election that the carbon tax was gone, but now they support it. Ten days ago the shadow minister, the member for Port Adelaide, said we should terminate the carbon tax. What has happened since then?

When I look at the rising costs of living for my constituents, when I look at the rising costs of business for my constituents in the industry portfolio and when I look at the job losses that have occurred because businesses can no longer compete because we are one of the few countries that have a carbon tax—it is a direct cost on exports, and our country survives on exporting our products; we put ourselves at a price disadvantage—I say that today the coalition are standing up for you. We are determined to deliver on our election commitment. You voted us in to do this, and we will do it.

The cost of energy will go up on 1 July if this legislation is not passed. The cost of energy will go up because part of the carbon tax is that it goes up on 1 July. It will go up to $25.40 a tonne. That will be a further increase on the electricity bills of each and every Australian from 1 July. I say to all of those members: listen to the people of Australia. They all want to support reducing carbon emissions. They all want to support that. It is a great idea and worthy of achieving. But they do not like being stung in the neck, particularly when that sting in the neck was based on a direct and deliberate lie by a former Prime Minister, compounded by the last Prime Minister—before the one we have now—who said that it was gone. And here today we have the Leader of the Opposition and the shadow minister for the environment supporting those carbon taxes. So we have 'Electricity Bill' Shorten, the Leader of the Opposition, saying, 'I am happy that on 1 July I will be putting up your electricity bill.' He can take personal responsibility. He will be putting up the electricity bill on 1 July. Also on 1 July there are a lot more flow-on effects from the carbon tax which will affect each and every individual in Australia.

There have been retiring members of the Senate who have said that people need to look at the fact that the coalition was elected to deliver an outcome and that those bills should be passed because, when they are passed and people see the effect, they can judge us one way or another. They can judge whether the cost of living did come down or there was no change. They can judge whether we actually had the fortitude to get the ACCC to pursue people who were not reducing the cost of energy when they had a reduction in their carbon tax bill.

We are committed. We are determined. One of our main objectives is to reduce the cost-of-living pressure. On 1 July, as I said, the carbon tax is due to go up by five per cent more, rising from $24.15 to $25.40 a tonne. This will do incredible damage to our Australian economy because all of those cents and all of those dollars add up to costs and make it much more unaffordable for Australian businesses to compete. I gave a commitment to my people in Paterson that I would repeal these taxes. It was the main agenda item going into the last election. We are determined to repeal these bills, and we encourage people to come on board.

As for the incoming senators of the Palmer United Party, they should also have a look at what the agenda of the Australian people was in changing the government. I am not going to comment on last night, because I did not catch all of the detail. I was not at the press conference. But I can say that the Palmer United Party have the opportunity to show that they
also listen to the Australian people and act in the national interest. When people are out there on struggle street—and a large percentage of my constituents are on struggle street; a very high number of my constituents are pensioners and seniors who rely on a very small income—that cost of the carbon tax in their energy bill alone, whether it is for electricity or the $70 hit on their gas bill, is something that they can ill afford.

Today, members opposite have the chance to stand up, be counted and act in the national interest. I ask them to support these carbon tax repeal bills because former Prime Minister Rudd said that they would. Their current shadow environment minister said, as little as 10 days ago, that they would. Today is the day. It is time to deliver on your promises and your commitments and not avoid the issue any further.

Mr THISTLETHWAITE (Kingsford Smith) (11:19): I speak in support of the amendment to be moved by the member for Port Adelaide to establish an emissions trading scheme. For me, this debate is about the appropriate action that we should be taking on climate change. For me, that issue comes down to one question. There is one simple question that members of parliament need to ask themselves: should we take action now to mitigate the effects of a changing climate on our economy and our environment into the future, or should we purely be concerned about the present and maximising current economic gains and advantage at the expense of future generations of Australians? That is the dilemma that is posed by the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2] and associated bills.

I believe that we as members of parliament are custodians of the welfare of Australians in the present but also into the future. We have a moral and economic obligation to act with an eye to the future. We have a responsibility to consider the advice of scientists and economists and put in place policies that mitigate the effects of climate change on our kids and on future generations of Australians. And that is what a price on carbon is all about. That is what the renewable energy target is all about. That is what the Clean Energy Finance Corporation is all about. And that is what the Australian Renewable Energy Agency is all about. The bills before us seek to repeal those actions, seek to stop those actions, seek to stop that investment in the future mitigation of climate change. The government, in introducing these bills, believe that MPs' only obligation is to the current generation, to the exclusion of the interest of future generations of Australians, and that is the great shame in what is going on with these carbon tax repeal bills.

I am not a scientist. I do not purport to be an expert on climate change. But I have read the evidence, I have assessed the reports of experts, and the conclusions of the studies and reports are, in my view, inescapable. They are summed up quite succinctly in the most recent Intergovernmental Panel on Climate Change report, the fifth by this international body of scientific experts on climate change. In the executive summary the first point they make is:

Warming of the climate system is unequivocal and since the 1950s, many of the observed changes are unprecedented over decades to millennia. The atmosphere and ocean have warmed, the amounts of snow and ice has diminished, sea level has risen, and the concentrations of greenhouse gases have increased.

That is the view of scientific experts about what is occurring in our climate.

We have a responsibility to act reasonably. A reasonable and sensible person, in my view, can only reach one conclusion: that man-made climate change is occurring and that if we do
not mitigate the incidence of the warming of our planet then we will see damaging consequences for our, and the world's, resources, environment, infrastructure and economy. Future economic and social development will be damaged by additional costs associated with adapting to climate change. The longer we wait to deal with climate change, the more drastic the action we need to take and the greater the cost. So I say to all parliamentarians in this debate: think about your kids. When we talk about this it is about our kids. The cost of delaying action will be passed on to our kids in the future—with interest. If we do not do something today we pass on that cost and it will cost us more.

What are those costs? Reports have been quite conclusive. There will be changes to agriculture. Sea level rise will damage private property, this will push up insurance costs and we are already seeing this. Infrastructure will be damaged. There will be health effects associated with hot weather. And we will get more incidents of extreme weather events—droughts, cyclones, high winds.

The difficulty that many face with this challenge is that it is in the future. Many of the reports point to the fact that climate change will get more and more severe if we do not do something about it, so it is very much a problem that people see in the future. Those with a narrow-minded view believe that we should not worry about the future, that we do not have an obligation to mitigate the costs now because all our responsibility is in the present. But there are present-day examples of climate change and they are occurring right in our neighbourhood.

In the Pacific, climate change is not a looming threat, it is a present danger. In any international forum associated with Pacific islands these days, in the Pacific Islands Forum and in the Pacific Islands Development Forum the No. 1 issue on the agenda is climate change. And the view of the leaders of the international community about Australia’s action on climate change is pure condemnation. This is the view of Tony de Brum, Foreign Minister of the Marshall Islands:

Tony Abbott must listen to the scientists and not play politics with the survival of Australia’s friends in the region. We expect a lot more from our big brother in the south and we hope Australia will tone down the rhetoric on this issue, especially being president of the Security Council. We need Australia to show leadership on this issue as it’s life or death for us.

Australia needs to get real. Scrapping a carbon price goes completely against the grain of what the world is doing. It looks like three billion people will be living under a carbon price worldwide by 2020. We need Australia to be a leader in that process, not a laggard.

That is the view of the Foreign Minister of the Marshall Islands, a leader of one of our closest friends in the Pacific. It is pure embarrassment for Australia to have the foreign minister of another nation say that Australia is a laggard when it comes to climate change. He is not alone, unfortunately. Last week Fiji’s interim Prime Minister, Commodore Frank Bainimarama, when opening a regional summit, singled Australia out as ‘selfish’. He said there was ‘collective disappointment and dismay’ in the Pacific at the failure to address climate change.

The response of this government has unfortunately been to pull out of every single international climate change initiative, to withdraw funding for policies and programs that were supporting climate change eradication, particularly in the Pacific. What an embarrassment when Indonesia, a country that Australia is an aid donor to, went to the Pacific
Islands Development Forum last week and announced $20 million in funding to fight climate change in the Pacific because Australia has pulled out of all those international actions. What an embarrassment for the nation of Australia, the leading economy in the Asia-Pacific region, to be moving backwards on the greatest challenge facing our neighbourhood.

In the Marshall Islands, unfortunately, communities are already being displaced. Communities that have inhabited islands for thousands of years are already being displaced. A couple of weeks ago I was fortunate to meet some students from Tuvalu and Kiribati, young leaders of their countries, who were pleading with Australian politicians not to ignore them, pleading with us to help them tackle this ever-present threat to them. Crops have dried up, so the traditional foods these communities have survived on are no longer there. There is a distinct lack of water. Sea level rise is damaging private property and infrastructure is being inundated. Not only that; the populations of these countries are becoming more and more unhealthy. Diabetes and obesity are on the rise because natural crops are drying up and populations in these countries are now being fed by tinned food imports.

Climate change is happening now, it is happening in our backyard and scientists say we need to do something about it. Unfortunately, the attitude of the Liberal-National Party is to ignore that.

Labor introduced a carbon price because that was the advice of expert economists—that a market based mechanism is the best way to approach climate change, that it is the cheapest and most efficient way. It is a polluter pays system. A polluter pays for the damage they do to our economy and to our environment and the results speak for themselves. Carbon emissions from the electricity market have fallen by seven per cent since the carbon price was introduced. Renewable energy generation in the electricity industry has increased by 25 per cent. In the first year of the carbon price, 15,000 jobs were created.

Our economy has grown, inflation has been low and unemployment has been relatively stable. We have linked it to international schemes. There are other emissions trading schemes coming online throughout the world. The 30 European nations have an emissions trading scheme. South Korea has an emissions trading scheme. Provinces in Canada have an emissions trading scheme as do states in the USA. New Zealand has an emissions trading scheme and five provinces in China—about to be six—have an emissions trading scheme.

We have seen the commercialisation of projects totalling about $10 billion through the Clean Energy Finance Corporation in Australia. That is the record of a price on carbon in our community in Australia, but what are we doing? The coalition, the Abbott government are seeking to stop that progress. They are seeking to repeal the price on carbon. The crazy thing about this whole thing is here we have a Liberal-National coalition, the so-called advocates of market based economies, now advocating a system which gives direct subsidies to polluters. So we are going to move away from the system in which the polluter pays to a system in which the taxpayer pays. Taxpayers provide direct subsidies to big polluting companies in the hope that they will reduce their carbon emissions over time. This is absolute lunacy and it goes against the very being of what the Liberal Party stands for in a market-based mechanism to deal with externalities in our economy. It makes no sense at all. It is a subsidised system, providing direct subsidies to polluters.
Where do you think the money for those subsidies will come from? It will come from the pockets of taxpayers. Taxpayers will fund direct subsidies to big polluting companies to ensure, they hope, that they will reduce their carbon emissions over time.

Ninety-eight per cent of economists believe that this system will not work, that it is the wrong way to go, that it will be more expensive for our economy and that over time it will not reduce emissions. The reason it will not reduce emissions is that you do not have an economy-wide price on carbon, you do not have a market-based mechanism. Under a market-based mechanism the price is set for carbon pollution in our economy and we allow businesses, households and individuals to make their own decisions about how they reduce their impact on carbon emissions over time. We allow the market to make the decision about how pollution is reduced. When the market does it, the market finds the cheapest, most efficient way. That is the basis of a market-based model. That is Liberal Party philosophy, by the way, but it has been completely thrown out the door for cheap political gain, for maximising economic gain in the present rather than having an eye to the future, rather than thinking about the interests of our kids and future generations. That is why this policy must be condemned. That is why Australia is being embarrassed in the international community. That is why this policy must be condemned. That is why we are being seen as taking a backward step when it comes to a responsible approach, the cheapest, most efficient approach, to deal with climate change and carbon emissions. I say to members opposite: think about our kids in this debate.

Mr NIKOLIC (Bass) (11:34): Can you believe that it is 10 months since the last election and still the Labor Party continue to betray the will of the Australian people? They had a chance on 20 March this year, 108 days after the carbon tax legislation was introduced, to do what the Australian people voted for at the last election, but instead, Labor continues to vote to keep the carbon tax. They continue to side with their Greens partners to keep the carbon tax, despite telling the Australian people at the last election that they had terminated it. On 16 July 2013, Kevin Rudd declared he had ‘terminated’ the carbon tax, except he did not. He was not a terminator and neither was now opposition leader Bill Shorten, who was standing next to him.

At the 2013 election, Anthony Albanese, the member for Grayndler, wanted to set the carbon tax rate to zero. Despite winning the Labor Party’s popular vote, he was overruled by Bill Shorten and the union bosses both in relation to the leadership and the carbon price. After spending a full year defending the modest impacts of the carbon tax, the member for Port Adelaide confirmed on Sky on 4 November 2013 that the carbon tax was too high. But then he did nothing to address the effects of those impacts.

Ahead of the Senate by-election in Western Australia the Labor Party told the people of WA that they were scrapping the carbon tax and then in Canberra voted to keep it. They were lions in Perth and kittens in Canberra on this issue. The consequence of this deception by the Labor Party is that in less than a week, on 1 July 2014, the carbon tax will go up by more than five per cent, rising from $24.15 to $25.40 per tonne. So the unnecessary damage of Labor’s carbon tax during the last two years not only continues but becomes even more of a burden on Australian families and on the more than 75,000 businesses across our country. I speak here of $15.4 billion in damages to the Australian economy over the last two years through the operation of the carbon tax—damage to our international competitiveness, higher electricity prices and even more jobs put at risk. Of all the states in the federation which can least afford
pressure on jobs, my state of Tasmania sadly leads that list. We have the highest unemployment rate, both youth and adult, and the lowest participation rate in the country.

If Labor did what they should—that is, bend to the will of the Australian people—average living costs in Tasmania and around the country would be $550 lower than they would otherwise be, according to Treasury modelling. I had a Salvador Dali moment in the Federation Chamber earlier this morning where I heard the member for Franklin stand up and passionately argue against a 40c per tank rise in the fuel excise. This was, somehow, terrible for the people of Tasmania—but, at the same time, she joins her Labor-Green mates on the other side opposing a $550 easing of the cost-of-living expenses of Tasmanian families. If you are looking for a tier 1 example of hypocrisy, you would have seen it from the member for Franklin in the Federation Chamber earlier today. If Labor got out of the way and let the government implement what we were elected to do, the result would be reduced costs for businesses and households, a boost to local jobs and manufacturing, and the restoration of Australia's international competitiveness—yet, Labor simply refuse to accept the outcome of the election, despite the very clear mandate we campaigned on.

In my electorate of Bass, I was wearing out my shoe leather day after day on the four key things that we said we would do if we were to win the 2013 election. We said to the people of my electorate that we would stop the boats. And here we are and it has been over six months since a successful people smuggling venture to Australia—not a three-word slogan but real policy delivered with resolve by a government that does what it says. We said we would build the roads of the 21st century, and there in the budget we saw $50 billion—the largest infrastructure spend in this country's history. We said we would fix the budget. It is an enormous job of fixing that we have to do because those opposite, in just six years, achieved $191 billion in deficits. There was another $123 billion in projected deficits across the forward estimates and peak debt was rising to $667 billion. We have to borrow $1 billion every month just to pay the interest on our debt. If we were to do nothing, that would rise to $3 billion in loans each month just to repay the interest on our debt. So it is a big issue and a big problem that the Treasurer has to address—and we are fixing the budget.

The fourth of those promises—and the subject of these bills—was that we would repeal the carbon tax. That was, in my view, the most clear articulation of a policy intent in our history. We were specifically focused on redressing what many considered to be the greatest policy deception in our country's history—that famous statement, 'There will be no carbon tax under a government I lead.' Just three days ago, on 23 June, the government reintroduced its carbon tax repeal legislation to the parliament—three months after Labor and the Greens combined to vote it down in the Senate.

We will persist until this toxic tax is repealed, because it does not achieve the policy effect it was intended to achieve. Domestic emissions continue to rise under the carbon tax. They go from 560 million tonnes in 2010 to 621 million tonnes in 2020—and the way we achieve the abatement effect is not by cutting emissions in our country but by investing billions of dollars of taxpayer's money in dodgy carbon credit schemes overseas to achieve that intended abatement effect. It is deception upon deception. How did we ever get to a situation where Labor and the Labor-Greens governments in this country were able to preside over $15 billion in damage to the Australian economy for a policy that does not even achieve its intended purpose? They do have form—and I will be speaking later on the minerals resource rent tax.
It is one of many ideologically driven and costly policy promises that does not achieve that intended policy effect.

Let’s consider the beneficial impacts for households and businesses of repealing the carbon tax. As I said earlier, the removal of the carbon tax in 2014-15 will save the average household over $550. Retail electricity prices will be around nine per cent lower and retail gas prices around seven per cent lower than they otherwise would be. On this basis, household average electricity bills will be around $200 lower than they otherwise would be in 2014-15 with a $25.40 carbon tax. Household average gas bills will be around $70 lower than they otherwise would be in 2014-15 with a $25.40 carbon tax. The removal of the carbon tax will reduce the consumer price index by around 0.7 of a percentage point than it otherwise would be, according to Treasury modelling. When the CPI is lower, that means less cost-of-living pressure on Australian families. Business compliance costs are also expected to fall by around $87.6 million per annum as a consequence of repealing the carbon tax.

Contrary to the quite mendacious claims of those opposite, power prices will fall. Consider this quote by Matthew Warren from the Energy Supply Association of Australia on 29 October last year:

Just as the carbon tax increased power prices when it was introduced in 2012, they will fall once it is removed.

And he was right. Consider the front page of the Launceston Examiner in my home state of Tasmania just six days ago on 20 June—and I quote:

Tasmania’s Economic Regulator has approved a power decrease of 7.8 per cent, effective from July 1…to all Tasmanian residential customers and small business customers…[The regulator] Mr Appleyard said that the price decrease is primarily due to a reduction in Aurora Energy’s costs of buying electricity, which is as a result of the energy market’s expectation that the carbon price will be removed from July 1.

If you ever wanted to see a correlation between removal of the carbon tax and lower electricity prices, there it was in all its glory on the front page of the Launceston Examiner on 20 June. It is very clear proof that, if the carbon tax goes, cost-of-living pressures on families and business input costs from electricity go down.

There is nothing new in this simple fact. Labor was warned repeatedly about the consequences of their ill-considered policy. As Professor Sinclair Davidson of RMIT University pointed out on 30 June 2011, three years ago, in response to the Labor-Green deal and the disproportionate influence of then Greens leader Bob Brown:

Bob Brown hasn't explained how undermining the Australian economy would reduce that cost and why Australians should bear that cost when the UN hasn't managed to convince its members to act in concert on climate change ... The biggest problem Brown faces is that you can't intervene in the economy on the scale he desires without a massive reduction in our economic wellbeing. The problem Australia faces is that Brown doesn't understand that point.

I can recall then Climate Change Minister Greg Combet taking a delegation of 40 to Durban in late 2011—props for the Prime Minister's grandstanding. It is clear that Labor's national interest assessment on climate policy has been way off the mark since 2008. If climate change truly was 'the greatest moral challenge of our time', as former Labor PM Kevin Rudd so grandly professed, then Labor have failed to follow the careful and methodical approach to policy development that such a challenge demands. Labor relied on slogans like 'delay is the
same as denial', a superficial excuse for failing to gain an unequivocal mandate for their environmental policies. Many will recall them back-peddling on their return from Copenhagen, pledging that 'Australia would do no more and no less than the rest of the world.' What hollow words.

Despite the revisionist ideology of the member for left-wing ideology, two speakers ago, what we have seen under Labor is a long road from Kyoto, to Copenhagen, to Durban, and Rio that is littered with big promises but no binding, international action. Instead the SS Carbon Australis steamed towards its inevitable iceberg—a policy that was all doorstop and no delivery. History records that Labor did not bring the Australian public along, as Prime Minister Gillard promised at the 2010 election. Her pre-emptive action locked us into a bad policy response ahead of the rest of the world.

As Professor Garnaut presciently observed in his 31 May 2011 report for the then government:

… every dollar of revenue from carbon pricing is collected from ... mostly households, ordinary Australians. Most of the costs will eventually be passed on to ordinary Australians.

And so it turned out. When other countries don't apply the same economy-wide tax then competitive disadvantage occurs.

Labor's continuing deception of the Australian people is evident also in their position on the Clean Energy Finance Corporation. On 18 June 2014, Labor again linked arms with their Greens Party mates to defy the will of the Australian people to vote down the abolition of the Clean Energy Finance Corporation. You will recall, Deputy Speaker Broadbent, that we took the abolition of the carbon tax and the Clean Energy Finance Corporation to the 2013 federal election. We said at the last election that we would support clean energy projects through Direct Action, and specifically through the Emissions Reduction Fund. This mandate has now been ignored by Labor and the Greens twice. We said that the Renewable Energy Target would provide strong incentives for business to develop clean energy solutions. When the Clean Energy Finance Corporation establishment bill was introduced, we made it clear that the Clean Energy Finance Corporation would displace projects that would have been undertaken anyway to meet the Renewable Energy Target. The Emissions Reduction Fund and the Renewable Energy Target are in addition to strong commercial incentives for businesses to undertake clean energy projects in order to reduce costs. The government simply does not believe it is prudent expenditure of taxpayer funds to keep borrowing money to underwrite a $10-billion taxpayer-funded bank that cherry-picks investments in direct competition with the private sector.

Consistent with the undertakings I made in Bass at the last election, consistent with our pledge to the Australian people, I strongly support this bill and call on the Labor Party to help families and small businesses by supporting this repeal legislation. The will of the Australian people is clear and it is time that the carbon tax was gone.

Ms RYAN (Lalor—Opposition Whip) (11:49): I welcome the timing of this debate today when this issue is so hot internationally—the shifting sands of time are important this morning. Some of you were in this chamber when US President Obama addressed this Australian parliament in 2011. As a new member, I was not lucky enough to be here. However, I, like many across the world, do take an interest in what he has to say. So when US President Barack Obama took the opportunity in a commencement speech at the University of
California to rip into climate change deniers only a few days after meeting Prime Minister Abbott, I read his speech with interest. President Obama labelled global warming as 'one of the most significant long-term challenges that our country and our planet faces'. He made a powerful moral case for action. He said:

So the question is not whether we need to act. The overwhelming judgement of science, accumulated and measured and reviewed over decades, has put that question to rest.

The question is whether we have the will to act before it's too late. For if we fail to protect the world we leave not just to my children but to your children and your children's children, we will fail one of our primary reasons for being on this world in the first place. And that is to leave the world a little bit better for the next generation.

He is not alone with views such as these. The European Union has long been committed to international efforts to tackle climate change and has set a strong example through robust policy making. It has introduced legislation and a range of initiatives to tackle climate change. That is why it is difficult to hear EU officials saying:

Australia has become completely 'disengaged' on climate change since Tony Abbott was elected in September last year.

It has been reported the EU officials are disappointed with the Prime Minister's approach, saying Australia was considered an important climate change player under Labor. One well-placed EU official has likened the change to 'losing an ally'. But Mr Abbott has pledged to scrap the carbon price in favour of his Direct Action policy. 'You have a huge amount of scientists and economists saying the Direct Action policy isn't going to work,' one EU official was quoted as saying. There is a particular disappointment in Mr Abbott's decision not to have climate change on the agenda when the G20 leaders meet in Brisbane later this year. Climate change has been on the G20 agenda at the most recent leaders meetings in France, Mexico and Russia.

I note a report in The Guardian says:

Fighting climate change would help grow the world economy, according to the World Bank, adding up to $2.6tn … a year to global GDP in the coming decades.

It states that fighting climate change:

… would lead to global GDP gains of between $1.8tn and $2.6tn a year by 2030, in terms of new jobs, increased crop productivity and public health benefits.

And:

The World Bank president, Jim Yong Kim, said the findings put to rest claims that the world could not afford to act on climate change.

He goes on to say:

These policies make economic sense … This report removes another false barrier, another false argument not to take action against climate change.

Like President Obama, I know climate change is real. It astounds me that this is a debate we are still having. Last summer was the hottest on record in Australia: May 2014 in Melbourne broke all weather records with the most days over 20 degrees in the history of the Bureau of Meteorology recordkeeping. The BOM has added a new colour to their weather chart spectrum to indicate temperatures over 50 degrees Celsius, and study after study, report after report, show that our weather extremes, fire, floods and droughts, are happening more often
and are becoming more intense. So, yes, climate change is a very real and a very serious issue.

What is it that the bills before us want to do? Through this legislation, the coalition, led by Prime Minister Abbott, wants to abolish the price on carbon and remove the ETS without any mechanism to take its place. It wants to remove industry assistance, including support for Australian jobs, through the Steel Transformation Plan. It wants to abolish the Climate Change Authority and the Clean Energy Finance Corporation, ceasing any new commercial term loans to help new ambitious renewable projects over the forward estimates. He wants to repeal income tax cuts that were due to come into effect on 1 July 2015. And, because this government cannot get its act together to get legislation through in a timely way, this bill is designed to work retrospectively and everything will be backdated to July 1.

This Liberal government talks about their economic credentials, about how they now accept the science and about how they are finally serious about climate change. But, as with so many things, actions speak louder than words: the introduction of these bills show that.

So how did we get here? We are here because in 2009 the Liberal Party walked away from their commitment to action on climate change and blocked an ETS. As an aside, the Liberal Party were not alone in walking away from this issue; the Greens also must take some of the responsibility for delaying action on climate change: they too decided to play politics with our future and got action and inaction confused. The Liberal Party, however, are most culpable for leading a campaign of misinformation in an attempt to influence public opinion. We are here because political opportunity overcame good sense, responsibility and knowledge.

The ETS model has been recognised around the world as the most appropriate and efficient way to tackle carbon pollution. Under an emissions trading scheme, polluters are encouraged to pollute less, so they pay less. An ETS is the most appropriate market mechanism to achieve a cap on emissions while at the same time creating incentives to change long term behaviours. But instead, the Abbott government is pursuing the so-called Direct Action Plan—perhaps more aptly named 'indirect inaction.'

I am often approached by my local constituents, confused and asking: what does direct action actually mean? Beyond a misnomer, a contradiction of terms, a joke, not much. In the words of Tony Abbott, under direct action, the Liberal government 'will bring in more trees and better soils'. Experts, including the CSIRO, have dismissed the claims of Tony Abbott and Greg Hunt on reforestation. They show that, even for the most hopeful of souls, tree planting on the limited scale proposed by Mr Abbott simply will not work.

One of the other aspects of the policy—and there are only a few—is utilising soil carbon technology. Under this part of the plan, Mr Abbott and Mr Hunt have decided that soil carbon can deliver up to 85 million tonnes of reduction per year at just $10 per tonne. This is in spite of recent studies showing the price is more likely to be around $80 per tonne. Mr Hunt's own department is estimating that this technology would only deliver one 20th of the claimed reductions. In fact, based on the CSIRO's study, the government would have to take two thirds of the Australian land mass to meet the emissions reduction targets. It is, as former Treasury Secretary Ken Henry has described, quite simply bizarre.

A Senate inquiry into direct action did not have a single expert who would support this government's Direct Action Plan, and that probably suits this government, because Mr Abbott
does not think climate change requires urgent, serious action—we know that. We know that he believes that climate action is not an issue that should concern world leaders. He believes there is no sign other countries are adopting emissions trading schemes and that China will never introduce carbon trading.

And now we are seeing some detail about the minister's Emissions Reduction Fund. It has a good name, Emissions Reduction Fund—that has got to be a good thing—but recent research by Monash University shows that the ERF will see pollution increase by eight to 10 per cent above 2000 levels by 2020; reduce pollution by nearly one third less than Labor's policy; require significant additional investment of between $4 billion and $15 billion to achieve the 2020 target of at least a five per cent reduction on 2000 levels; see costs and pollution both increase over time—even with spending increasing to around $88 billion from 2014 to 2050, pollution would still increase by about 45 per cent over this period; and subsidise the pollution of businesses who do not make changes, with these public subsidies calculated at around $50 billion to 2020.

Despite these issues and posturing by the coalition over the last three years, there is still no comprehensive approach that can be seen as a credible alternative to Labor's policy. Tony Abbott and those in his government are willingly consigning themselves to the wrong side of history. In generations to come, this inaction, this indifference, this incompetence, will be judged harshly.

Locally, my electorate is playing its part in pollution reduction. Our tip, a main contributor of pollution in our community, is utilising innovative methane capture technology. With Labor government funding we are also using renewable technology to power our public spaces and we are pursuing public lighting strategies to reduce our energy consumption. Our local industries are also making changes with the assistance of Labor's Clean Technology Investment Programs. Labor's $1 billion investment has assisted some of our local manufacturers, from a steel processing plant to a sausage maker to an agricultural chemical plant, to become more efficient, more cost effective and more sustainable.

In speaking with local residents, I find that they too want to do their bit to reduce emissions, and many already have. They know it may have its costs, but do they like the idea that it might save our planet; do they think they have changed their behaviours in order to reduce their footprint? They certainly do. So then, if my electorate is doing its part and getting serious about climate change, why can't the Abbott government? Because, as outlined previously, they simply do not take this issue seriously. But on this side we refuse to do nothing. What Labor put forward is a policy which will ensure action on climate pollution. Our sensible, reasonable amendments included a much-needed legal cap on carbon pollution; the retention of the Climate Change Authority to ensure independent analysis and advice; and a continued commitment to Australia's renewable energy research and development.

It is one of the most important debates that we are having in the chamber this week. It is for all of us to think, and to think long and hard about why we are here. Are we here to do the best for our chosen parties, or are we here to do what is best for our nation? Are we here to play politics, or to represent the best interests for our communities? Are we here to make the easy decisions, or the right decisions? I know why I am here, and it is certainly not to close my eyes and ears and hope that a problem of this magnitude will go away. In short, as a country, we could lead. But these bills mean that we will not even follow those who will lead.
Mrs SUDMALIS (Gilmore) (12:02): I take this opportunity to open these remarks by quoting from a previous leader, one individual who was set up to whisk the Labor government back into office with decisive policy-making and correcting the errors of their lost ways. Having found out that the Australian people were pretty miffed about the carbon tax being introduced by the wrangling and manipulation of a minority government, the then leader, Kevin Rudd, is quoted as saying:

I am the first one to admit, having returned to the prime ministership, in the past, the Government has got a number of things wrong. All governments do. I seek, however, to admit it. For example, I don't think our actions on the carbon tax were right.

When Barry Cassidy then asked what was wrong with that, the erudite Kevin Rudd answered: 'Well, to begin with, we did not have a mandate for it.'

This is an inconvenient truth for the member for Wills and those opposite. And might I say, categorically, to those on the opposite side that there are very few things I would put Kevin Rudd up in lights for, but on this matter his responses should be indelibly etched in flashing neon to those opposite, because they still do not have a mandate for keeping the carbon tax. They never had a mandate to introduce it in the first place. Now from a position of opposition, the reality pill has yet to kick in.

We, this side, the one in government, have a mandate to get rid of the carbon tax. There is not much point to hammering home the fact that this ineffective carbon tax has had only miniscule effect on emission reductions yet has damaged the bottom line for more than 75,000 businesses and reduced their ability to employ people. Those in opposition just do not get the fundamentals of business basics 101. You have to make a profit to be able to employ people. If your expenses are too high, like a massive electricity bill, you simply choose to do the work yourself; you simply cannot afford to employ someone else to help.

There is also not much point in telling those opposite that their whingeing and whining about changes that are proposed in the budget could be fixed with a simple vote in the Senate that actually acknowledges the will of the people. Good grief, wouldn't it be great if they were motivated by responding to the wishes of the voters at the last election! And before those opposite shout and catcall about the budget, just consider for a moment, take a breath and think about the damage they have done to the long-term prosperity of this nation by making us uncompetitive both internationally and on the domestic market. I guess trade economics 101 does not include the concept of analysing the cost of production to assist an industry to survive import competition.

Every time I drive past a supermarket and every time I go shopping, I feel a sense of sadness for the people living in my community. Every single time they purchase an item of food there has been a cost increase, mostly due to electricity increases. But every time I see the increased price of an ice-cream for a young child, I am angry. The price of that particular treat for that child has had a double whammy from the carbon tax. First, there is the increased electricity and then the 200 to 400 per cent increase—depending on the brand and the supplier—in the refrigerant replacement. Every time I pass the auto mechanic, I recall the conversation when he said that half of his business had been regassing car air conditioners. After the carbon tax came into play, he lost half of his business. A lot of the older people in the community simply could not afford to regas. They had to use the earlier version to stay cool in their cars—you know, the one where you wind the window down or open it! Where
was the opposition, the government of the day, when most of those who could not afford this were actually pensioners? It is almost laughable, if it were not so sad, that those opposite say they are the true defenders of the economic wellbeing of pensioners. That is absolute irony at its best. After the introduction of the carbon tax, how many pensioners went to bed early because they could turn off their heaters to save power? If those opposite bleat any more about being the defenders of the downtrodden and those who receive welfare, as if they are the only ones who have any compassion, they should really swallow another reality pill. Are those opposite so shallow that only the pensioners of today matter? Is there no vision? We must look after not only our ageing population of today but also those of the next 50 years and beyond. We must look after all those who are in need of assistance through difficult times in their lives and those who through disability will have disadvantages that are lifelong impediments.

This carbon tax is like an insidious snake that has slithered through every aspect of Australian life, leaving a path of toxic waste behind it—job losses, impacts on businesses, and family hardship. A good government looks towards the future and plans. Sometimes that planning means that difficult decisions are made. But let me assure you that getting rid of the carbon tax is not one of them. It is not a difficult decision at all. It is common sense 101. Giving a sense of stability, growing the strength of the economy—these actions allow businesses to grow and employ. They give a family the ability to plan and to save. Australians know this strategy works; it has been done before, and it can be done again, but only with strong policy decisions and stickability. That is political common sense 101.

Just last Sunday while visiting a conference on seaweed harvesting and research I had the opportunity to chat with some international scientists. At the beginning there were the general introductions: 'Oh, you're a member of parliament. Oh, this government. Are you Labor or Liberal?' I thought, 'Well, that's interesting; I'm not sure I'd know the different parties from different nations.' When I replied 'Liberal', their response was a chilly, 'Oh, you're getting rid of the carbon tax.' I proudly replied yes, and asked, 'So, do you know why?' They mumbled a little then about it being a forward-thinking concept and that it had made a huge impact on emissions reductions. But shock and horror was written all over their faces when I explained that the emissions reductions had been quite minimal and that the previous government had actually subsidised those very industries that were the worst emitters, like Alcoa and the producers of brown coal. From that point on the conversation was welcoming and mutually interesting. I guess that is international clarification 101.

I despair that the misunderstanding from those opposite is so entrenched. However, 'You can't blame ordinary people with little or no science education for wanting to be seen to be good citizens who care about their grandchildren's future and the environment'—words from former NASA scientist Professor L Woodcock. It is my belief that every Australian wants to ensure that the planet is a better place for the future, for their children and their grandchildren, but this carbon tax is not the mechanism, as has already been proved. Those opposite often have a bit of a whinge about official recognition of science, but science is about research and applying that research. Professor Woodcock also said:

Carbon dioxide has been made out to be some kind of toxic gas but the truth is it's the gas of life. We breathe it out, plants breath it in. The green lobby has created a do-good industry and it becomes a way of life, like a religion. I understand why people defend it when they have spent so long believing in it, people do not like to admit they have been wrong.
Instead of wasting the last six years on imposing a policy that (a) did not have a mandate, (b) was a tax that would never exist in a government led by Julia Gillard, (c) was going to be terminated by Kevin Rudd, (d) was going to be set at a rate of zero by the Hon. Anthony Albanese and (e) is dodged, ducked and woven around by the Leader of the Opposition, it is a hot potato issue for them.

They should have invested in research and development for our planet as there are now new gases impacting on our atmosphere. But do they dare to follow the will of the people? Not on your nelly. They posture and prevaricate, then bluster and—oops; I probably should not say those words in here, but I am sure you know what would follow. It is all about political pointscoring at the expense of community pointscoring, because the community—the Australian taxpayers—are the ultimate beneficiaries of repealing this dismally ineffective carbon tax. We all know that when you have disease you invest in research to cure the disease. We have hundreds of people fundraising every day for that very purpose. A nation invests in research. A government does not tax the researchers and then subsidise those that may be successful.

I venture to say that because vision and forward thinking are not in the DNA of those opposite it is all about the immediate solution, the quick fix, the silver bullet. Every Australian knows that a good solution is one that has been considered and investigated, one that has been analysed and tested. No such procedure was put in place in regard to the carbon tax. And why was that? Because, I remind you, there was never a plan, and—oops—there still isn't.

When I was growing up I learned a little about the Labor Party from my parents. We thought it was a fairly democratic representation—at least, that was my impression. As I learned more I thought that surely that meant that you followed the will of the people after an election. But, sadly, I learned that that is not the case; it is about power broking, about doing a deal to actually form government and then bringing in a devastating policy that was the deal you did with, in this case, the Greens. But isn't the deal you make at the ballot box the most important one? And before those opposite start in again: stop and think before shouting. We have been charged with fixing the black hole of debt that was imposed on this nation. Let's not bluster with comparisons that have no meaning and that act only to confuse.

In the closing stages of the last Labor government there was no intention of addressing the debt; that would be someone else's problem. If those opposite had won government then the Treasurer would have just told the trusting Australian public that they were on track to deliver budget surpluses. If that did not happen, and it was not likely to, and the paperwork had come to light, then it would have been a case of: ‘Oh, I must have made a few calculation errors, or perhaps borrowed a little too much. Oh well, we'll just borrow some more to pay off the debt’—something like $1 billion a month, and that could grow to $3 billion a month. I imagine this might be national bankruptcy 101, and those opposite certainly gained a distinction in that course.

Our nation has been held to ransom long enough. Anyone in business knows that there are a number of calendar events that have an effect on a business's sales. Let me give you some very clear examples based on my confectionery business. Over more than 17 years the pattern became quite clear. Good businesses develop marketing strategies to overcome these temporary drops in sales. My business was fudge making. Our initial marketing was of fudge
as a comfort food in the colder months, so as the weather warmed our sales dropped. We developed markets in tourist places. Around the end of the financial year there would be a drop in sales; nobody wants extra stock to count. At the time of the Melbourne Cup, a national event—and we were a national business—we had reduced sales for about a week. But by far the biggest and most inexplicable hit on sales was the six weeks leading up to an election. In February last year—which just goes to show how little understanding those opposite have of business dynamics—the then Prime Minister Julia Gillard called the election for August. After an initial 'thank goodness' period, the usual wobbles set in for small business sales. It became worse and worse as the election slowly came closer. Every Australian knew that the carbon tax was a disaster. They could not wait for the election. Even the Labor Party knew, flicking out the leader and flicking in a new one, along with the statement about 'terminating the carbon tax'. But those opposite cannot even keep that experience top of mind.

We have seen all sorts of industries saying how much their business will improve after the carbon tax is repealed. These include business groups and chambers and the dairy industry, whose costing go up to $40,000 per year, particularly for one dairy in my area. The energy suppliers are going to drop their prices. There are so many beneficiaries in this repeal bill. I just cannot fathom why political posturing takes precedence over people and productivity.

We have heard much of this before, and still those opposite bathe in the reflected green glow of a political alliance while business bleeds and jobs evaporate. This time two years ago the member for Throsby urged our local councils to get creative to reduce the impacts of the carbon tax. Back in June 2012 IPART estimated that council electricity costs across New South Wales would be at least $14 million. Good grief, how many roads, footpaths, community centres and libraries could that have built? Those opposite whine and gripe at the budget policy of freezing the federal assistance grants, yet their ill-conceived carbon tax on local governments has been catastrophic, and has had a much greater effect.

Shellharbour Council has had to develop a completely new waste disposal system as they were liable for the carbon tax hit. It was a great idea, except now they have to increase the tip fees and they will have to employ lots of new rangers. Perhaps that was the underground strategy. Kiama Council has had an 18 per cent rise in the cost of their electricity, and that is partly just to keep the streets lit.

Each and every one of us enjoys watching our children play sport and watching our favourite teams. In Gilmore we have hundreds of sporting clubs. Our councils provide the sports fields, and I am pretty sure Gilmore is not unique. Lots of these teams also play at night. That is okay in summer, with daylight saving, but it is pretty hard to see the ball or field lines in winter, so most of the fields are lit—well, at least for the moment. The cost to some councils for this service to the community can be around $80,000. Most councils support sport and subsidise it, but now they are thinking about having to get a bit of a payback from some user-pays system. So in an electorate like Gilmore, where sport is really part of the community, where sports fitness is used to fight increasing obesity, where we are developing leadership and community contribution, they are going to have to fundraise to pay for the electricity to light the fields. So when members attend the next sports presentation or watch the next big game, I hope they see the following in the eyes of the children and the young people: 'the carbon tax made my uniforms more expensive and my parents had to fundraise.
with sausage sizzles for my uniform, my transport and for trophies—and not only that, they also had to fundraise to pay for the electricity to light up the field."

Those opposite just aren't playing cricket, especially if it needs night lights. Often they lean over the dispatch box and say, much like Arnie Schwarzenegger 'We'll be back with the carbon tax.' We all know what happened to the Terminator. It was crushed and broken, which is exactly what should be happening to this very damaging policy.

Debate adjourned.

**BUSINESS**

**Rearrangement**

Mr McCORMACK (Riverina—Parliamentary Secretary to the Minister for Finance) (12:18): I move:

That business intervening before Order of the Day No. 14 Government Business be postponed until a later hour this day.

Question agreed to.

**BILLS**

**Infrastructure Australia Amendment Bill 2013**

**Consideration of Senate Message**

Bill returned from the Senate with amendments.

Ordered that the amendments be considered immediately.

**Infrastructure Australia Amendment Bill 2013**

**Schedule of the amendments made by the Senate**

(1) Schedule 1, page 3 (after line 22), after item 6, insert:

6A Section 3

Insert:

_quarter_ means a period of 3 months beginning on 1 January, 1 April, 1 July or 1 October of a year.

(2) Schedule 1, item 8, page 4 (lines 22 to 24), omit paragraph 5(a), substitute:

(a) to conduct audits to determine the adequacy, capacity and condition of nationally significant infrastructure, taking into account:

(i) forecast growth; and

(ii) economic, social and environmental sustainability;

(3) Schedule 1, item 8, page 5 (after line 4), after paragraph 5(g), insert:

(ga) to review and provide advice on proposals to facilitate the harmonisation of policies, and laws, relating to development of, and investment in, infrastructure;

(gb) to review Commonwealth infrastructure funding programs and their alignment with Infrastructure Plans given to the Minister under section 5B;

(4) Schedule 1, item 8, page 5 (lines 15 to 17), omit subsection 5A(2).

(5) Schedule 1, item 8, page 5 (lines 18 and 19), omit "or subsection (2)".

(6) Schedule 1, item 8, page 5 (after line 19), at the end of section 5A, add:
(4) As soon as practicable after the end of each quarter, Infrastructure Australia must make a summary of each proposal evaluated during the quarter available on its website.

(7) Schedule 1, item 8, page 5 (after line 32), after paragraph 5B(1) (b), insert:

(ba) includes a cost benefit analysis of each such proposal; and

(8) Schedule 1, item 8, page 6 (lines 7 to 12), omit subsections 5B(2) and (3), substitute:

(2) A plan must cover a period of 15 years from the time the plan is prepared, or such other period as the Board determines.

(3) A cost benefit analysis included in a plan as mentioned in paragraph (1) (ba) must be prepared using the method approved by Infrastructure Australia. The method must enable the proposals to be compared.

(4) A plan must be prepared under this section every 5 years, or at such other intervals as the Board determines.

(5) Within 14 days of a plan being given to the Minister, the plan must be made available on Infrastructure Australia's website.

(9) Schedule 1, item 8, page 6 (after line 12), at the end of section 5B, add:

(6) Infrastructure Australia must cause the method approved under subsection (3) to be reviewed:

(a) no later than 6 months after the commencement of this section; and

(b) every 24 months after that first review.

(7) Without limiting subsection (6), a review under that subsection must consider whether the cost benefit analyses take into account social, environmental and economic costs and benefits adequately.

(8) The report of the review must be made available on Infrastructure Australia's website within 14 days of the report being given to Infrastructure Australia.

(10) Schedule 1, item 8, page 6 (line 14), before "For", insert "(1)".

(11) Schedule 1, item 8, page 6 (after line 22), after paragraph 5C(b), insert:

(ba) policy issues arising from climate change;

(12) Schedule 1, item 8, page 6 (line 29), at the end of section 5C, add:

: (g) the delivery of infrastructure projects.

(13) Schedule 1, item 8, page 6 (after line 29), at the end of section 5C, add:

(2) For the purposes of paragraph (1) (g), Infrastructure Australia may evaluate the delivery of an infrastructure project, including evaluating:

(a) the delivery against any targets set before or during delivery; and

(b) any relevant assumptions made before or during delivery.

(3) Infrastructure Australia also has the function of promoting public awareness of the matters mentioned in subsections (1) and (2), including by publishing information on its website.

(14) Schedule 1, item 8, page 6 (line 30) to page 7 (line 18), omit section 5D.

(15) Schedule 1, item 9, page 7 (line 19) to page 8 (line 3), omit the item, substitute:

9 Subsection 6(4)

Repeal the subsection, substitute:

(4) However, the Minister must not give directions about the content of any audit, list, evaluation, plan or advice to be provided by Infrastructure Australia.

(16) Schedule 1, item 10, page 8 (line 26), after "consumer", insert ", academic, professional".

(17) Schedule 1, item 39, page 16 (line 15), omit "functions;", substitute "functions.".
(18) Schedule 1, item 39, page 16 (line 16), omit paragraph (3) (d).
(19) Schedule 1, item 39, page 16 (lines 17 and 18), omit subsection 39B(4).
(20) Schedule 1, item 39, page 16 (line 28) to page 17 (line 2), omit subsections 39B(7) and (8).
(21) Schedule 1, item 39, page 17 (line 8), omit "paragraph 5D(1) (c) or".
(22) Schedule 1, item 39, page 17 (line 15), at the end of section 39C, add:
   ; (d) details of each method of preparing cost benefit analyses approval of which was in force under subsection 5B(3) at any time during the year, including the weight required to be assigned to each factor the method required to be taken into account.
(23) Schedule 1, item 41, page 19 (line 6), omit "paragraph 5D(1) (c) or".
(24) Schedule 1, Part 2, page 21 (line 1) to page 27 (line 22), omit the Part, substitute:

Part 2—Consequential amendments

Income Tax Assessment Act 1997

43 Section 415-1
   Omit "Infrastructure Coordinator", substitute "Infrastructure CEO".

44 Paragraph 415-15(3) (c)
   Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

45 Subsection 415-15(3) (note)
   Omit "Infrastructure Coordinator" (wherever occurring), substitute "*Infrastructure CEO".

46 Paragraph 415-20(2) (c) (note)
   Omit "paragraph 5(2) (b)", substitute "paragraph 5(b)".

47 Section 415-50
   Omit "Infrastructure Coordinator", substitute "Infrastructure CEO".

48 Subsection 415-55(1)
   Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

49 Subsection 415-55(1)
   Omit "Infrastructure Coordinator" (second occurring), substitute "*Infrastructure CEO".

50 Subsection 415-55(1) (note)
   Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

51 Paragraph 415-55(4) (a)
   Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

52 At the end of section 415-55
   Add:
   (5) A fee prescribed as mentioned in paragraph (4) (b) is payable to the *Infrastructure CEO, on behalf of the Commonwealth.

53 Subsection 415-60(1)
   Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

54 Paragraph 415-60(2) (a)
   Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

55 Paragraph 415-60(2) (b)
   Omit "Infrastructure Coordinator" (wherever occurring), substitute "*Infrastructure CEO".
56 Subsection 415-60(3)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

57 Paragraph 415-60(3) (b)
Omit "Infrastructure Coordinator", substitute "Infrastructure CEO".

58 Subsections 415-60(4) and (5)
Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

59 Subsection 415-65(1)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

60 Subsection 415-65(1)
Omit "Infrastructure Coordinator" (second, third and fourth occurring), substitute "Infrastructure CEO".

61 Subsection 415-65(3)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

62 Subsection 415-65(3)
Omit "Infrastructure Coordinator" (second occurring), substitute "Infrastructure CEO".

63 Subsection 415-65(5)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

64 Subsection 415-65(5)
Omit "Infrastructure Coordinator" (second, third and fourth occurring), substitute "Infrastructure CEO".

65 Paragraph 415-65(6) (a)
Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

66 Paragraph 415-65(6) (b)
Omit "Infrastructure Coordinator", substitute "Infrastructure CEO".

67 Subsection 415-65(7)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

68 Subsection 415-65(7)
Omit "Infrastructure Coordinator" (second occurring), substitute "Infrastructure CEO".

69 Subsection 415-70(1)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

70 Paragraph 415-70(1) (a) and (b)
Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

71 Paragraph 415-70(2) (a)
Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

72 Paragraph 415-70(2) (b)
Omit "Infrastructure Coordinator", substitute "Infrastructure CEO".

73 Subsection 415-70(4)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

74 Subsection 415-70(4)
Omit "Infrastructure Coordinator" (second occurring), substitute "Infrastructure CEO".
75 Subsection 415-70(6)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

76 Subsection 415-70(6)
Omit "Infrastructure Coordinator" (second occurring), substitute "Infrastructure CEO".

77 Paragraph 415-70(7) (a)
Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

78 Paragraph 415-70(7) (b)
Omit "Infrastructure Coordinator", substitute "Infrastructure CEO".

79 Paragraph 415-70(8)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

80 Paragraph 415-70(8)
Omit "Infrastructure Coordinator" (second occurring), substitute "Infrastructure CEO".

81 Subsection 415-70(9) (heading)
Repeal the heading, substitute:

Infrastructure CEO must notify Commissioner

82 Subsection 415-70(9)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

83 Subsection 415-70(9)
Omit "Infrastructure Coordinator" (second occurring), substitute "Infrastructure CEO".

84 Subsection 415-75(3) (note)
Omit "paragraph 5(2) (b)", substitute "paragraph 5(b)".

85 Subsection 415-80(1)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

86 Paragraph 415-80(1) (b)
Omit "Infrastructure Coordinator", substitute "Infrastructure CEO".

87 Subsection 415-80(2)
Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

88 Subsection 415-80(3)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

89 Subsection 415-80(3)
Omit "Infrastructure Coordinator" (second occurring), substitute "Infrastructure CEO".

90 Paragraph 415-80(4) (a)
Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

91 Paragraph 415-80(4) (b)
Omit "Infrastructure Coordinator", substitute "Infrastructure CEO".

92 Subsection 415-80(5)
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

93 Subsection 415-80(5)
Omit "Infrastructure Coordinator" (second occurring), substitute "Infrastructure CEO".
94 Paragraph 415-80(6) (a)
Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

95 Sections 415-85 and 415-90
Omit "Infrastructure Coordinator", substitute "*Infrastructure CEO".

96 Section 415-95
Omit "Infrastructure Coordinator" (first occurring), substitute "*Infrastructure CEO".

97 Section 415-95
Omit "Infrastructure Coordinator's" (second occurring), substitute "*Infrastructure CEO's".

98 Section 415-95
Omit "Infrastructure Coordinator" (last occurring), substitute "*Infrastructure CEO".

99 Subsection 995-1(1)
Insert:

*Infrastructure CEO* means the Chief Executive Officer of Infrastructure Australia appointed under section 29 of the *Infrastructure Australia Act 2008*.

(25) Schedule 2, item 8, page 33 (lines 13 to 15), omit paragraphs (2) (b) and (c), substitute:

(b) the CEO.

(26) Schedule 2, item 12, page 37 (lines 13 and 14), omit "responsible person under section 415-95 of that Act", substitute "CEO".

(27) Schedule 2, item 12, page 37 (line 29), omit "responsible person mentioned in that subitem in relation to the thing", substitute "CEO".

(28) Schedule 2, item 12, page 37 (line 32) to page 38 (line 5), omit subitem (4), substitute:

(4) The Minister may, by writing, determine that subitem (1) does not apply in relation to a specified thing done by, or in relation to, the Infrastructure Coordinator. The determination has effect accordingly.

(29) Schedule 2, item 13, page 38 (lines 12 and 13), omit "responsible person for the purposes of the provision under section 415-95 of that Act", substitute "CEO".

The DEPUTY SPEAKER: I understand that it is the wish of the House to consider the amendments together.

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (12:18): I move:

That the amendments be agreed to.

The Infrastructure Australia Amendment Bill 2013 was passed in the Senate on Monday. The government made some key amendments to remove all ministerial direction powers, and there were a number of other amendments moved by the Greens and the opposition. The government amendments were supported by the business community, who then urged the Senate to pass the bill with those amendments. Australians rightly deserve reforms that facilitate and expedite innovative, cost-effective, productive and efficient infrastructure, and this government is committed to those objectives. I would like to thank the Senate for their time in considering the bill, and their recognition of the importance of these reforms.

The government considers some of the amendments that have been moved to be unnecessary, and others add layers of red tape. The government holds concerns that some of the amendments may bog down Infrastructure Australia in micromanaging and oversiting...
the states' infrastructure projects. The government's election commitment was to a forward-looking strategic organisation that sets the parameters and inspires the solutions for nationally significant infrastructure of tomorrow, outside of the electoral cycle and covering many electoral cycles in advance.

The government's election commitment was to a strong independent Infrastructure Australia that can forge productive relationships with industry and the states and territories. The government's election commitment was to a self-sustainable organisation responsible for its own budget and its own work program. We particularly were keen for IA to do a top-down, 15-year strategic plan for Australia's infrastructure needs. Amendments moved and supported by the opposition and the Greens have the capacity to perhaps limit innovation in what Infrastructure Australia is proposing to do, and the specific details of proposals would be examined rather than allowing IA to provide the framework, in a broader sense, for innovations and solutions by the states and the private sector.

I have had discussions on these amendments with the shadow minister, and I appreciate very much his cooperative approach in looking at those issues. He shares the view that IA should undertake an analysis of the cost-benefit ratios put forward by the states and territories rather than on the 15-year plan itself. This was certainly the government's intention and I am pleased that the opposition has provided me with their views in that regard. We could proceed today with making amendments to the legislation, but because the Senate is on its last day it would not be practical for the Senate to deal with the legislation this week. We are keen to get IA up and running, appoint the new board and, in particular, get on with the task of developing the 15-year plan and examining some of the long list of projects that they will need to examine as a part of our commitment to ensuring that every project valued at more than $100 million is subject to IA scrutiny.

We reserve the right to revisit this legislation at some stage in the future if it is found that some of the amendments that have been proposed are unworkable or the government's election commitments are in any way affected by those amendments. If the states and territories find that they have difficulties dealing with Infrastructure Australia as a result of the amendments—it is mainly Greens' amendments where issues have arisen—or find the legislation unworkable or frustrating, then we will look at how we might be able to fix that in the future. Let me make it absolutely clear that the government respects the autonomy of the states and their rights to manage their own projects. We respect the independence of Infrastructure Australia and we want the relationship with the states to be harmonious. We will do what it takes in relation to the legislation to make sure that happens. We want to get infrastructure reform moving in this country. That is why we are proposing today to accept these amendments, but we may need to come back and consider these matters at a later time if they are found not to work as intended.

Mr ALBANESE (Grayndler) (12:24): Labor supports the amendments that were put forward to the original flawed Infrastructure Australia Amendment Bill. We would have had an opportunity to move those amendments back in December 2010 when the House of Representatives considered the legislation. At that time—and I do not blame the minister for this—the government thought it was intelligent for some reason to come into this chamber and gag the debate on the Infrastructure Australia Amendment Bill. Members might recall that, because I think it was after something in the order of 19 divisions later in the evening
and after 11 o'clock that the legislation was carried. I note that none of the bills that I am responsible for have been gagged since, and I expect that that will be the case in the future, given that experience.

Had we been able to move amendments then, we would have moved the substantial amendments that are now being supported by the entire parliament. We would have done so with the support of the submissions that were made by the Business Council of Australia, by the Urban Development Institute of Australia, by Infrastructure Partnerships Australia and by anyone else who considered the implications of the original bill. The original bill that was brought before this parliament and gagged through this chamber would have taken away the independence of Infrastructure Australia. It provided for the minister to be able to exclude categories of infrastructure, and we on this side of the chamber had our fears about that realised when we looked at the May budget where funding for every single public transport project that was not under construction was removed from the federal budget. That included projects such as the Cross River Rail project and the Melbourne Metro project that were high on Infrastructure Australia's priority list. Infrastructure Australia has already been conducting rolling audits, with a list published at least annually, which has a pipeline of projects from projects that are ready to proceed right through to projects that show some promise but need more work to be done. Cross River Rail was at the very top of the June 2012 Infrastructure Australia priority list.

What the original legislation would have allowed a minister to do is say: do not look at public transport. What we say is that if Infrastructure Australia is to be able to do its job it must be independent of the minister and the government. It must be able to look at infrastructure plans for how you deal with urban congestion in cities, for example. That is one of the big challenges. You cannot look at it unless you look at the way that a city functions: how it is planned, what the road network is, what the rail network is, what the connection is between moving passengers and people and moving freight. It is all interconnected. That is why we were very concerned, and the business community shared those concerns. I am pleased that the government has agreed to our position on that.

There is a second major area of amendments that are being considered here and which we support. We were very concerned that the legislation gave the minister power to direct Infrastructure Australia in a range of ways, including what could be published. It is an attempt to take away the transparency of Infrastructure Australia. When I was the minister there was a range of things that Infrastructure Australia had to say, including measures such as tolling the Pacific Highway. I did not agree with that. I would never agree with that, and I think the current minister would have the same view. But it is important that Infrastructure Australia is able to consider issues such as pricing and the way that the road network functions in a way that is independent. That is part of its role.

The other role that Infrastructure Australia plays—and why it is important for the linkages to go between the Commonwealth and the state—is to work in a dynamic way so that they improve the way that the states deliver infrastructure projects. There is much work to be done in terms of states doing the preparatory work for which they are responsible.

The DEPUTY SPEAKER (Mr Broadbent): I thank the member for Grayndler. The question is that the amendments be agreed to. I give the call to the member for Grayndler.
Mr ALBANESE: There is a range of measures and the minister will know this. When the global financial crisis hit, we were looking—for obvious reasons, in terms of the economic stimulus plan—towards the states and territories to put forward projects that were ready to proceed with construction, where we could get jobs saved, with maximum benefit in terms of productivity for the nation. The truth is that most of the states had very little that was ready to proceed. They simply had not done the planning. Infrastructure Australia has a critical role to play in making sure the states do the preparatory work—the environmental approvals and all of that—so that, when funding is available, it can be made available to the states and we can get that work done.

These amendments improve the bill substantially. It is now at the point where Labor is prepared to support the legislation—as, of course, we always were. What we were determined to do, though, was to make sure that the flawed legislation would be improved and that the independence of Infrastructure Australia would be assured. I note the minister was speaking about appointing board members. All the board members have done their job extremely well, and I would be concerned if there were any politicisation of the board. I certainly did not do that with the appointments that were made by the former government to the Infrastructure Australia board. To the contrary: the only person who had a political background who was ever appointed to the board was a former Liberal government minister in Victoria. People were appointed on the basis that they could get the job done, and I encourage the minister to ensure that that occurs.

It was also very important that the Department of the Prime Minister and Cabinet and Treasury were represented on the board. It made sure that infrastructure was something not at the fringe of government activity but at the core. I encourage the minister to consider ensuring that that direct representation and participation in Infrastructure Australia is there. It is far better to have Prime Minister and Cabinet, Treasury and Finance a part of decision making going forward than to have Infrastructure make a decision and then have to go and lobby Prime Minister and Cabinet and the two key economic portfolios for support. I think that is particularly important.

In terms of the processes, I support the legislation. I will have another contribution, but I might stop there and seek the call again.

The DEPUTY SPEAKER: I thank the member for Grayndler. The question is that the amendments be agreed to. I give the call to the member for Grayndler.

Mr ALBANESE: I have some comments to make about a quite extraordinary article that appeared in today's News Limited publications, by Simon Benson, with attribution to the minister's errand boy, the member for Mayo. It leaves an impression that the amendments that are now being supported by the government are somehow blocking projects. If that is true, then why is it that these amendments are about to go through unanimously? It is because it is a scurrilous article that has no basis in fact at all. Indeed, there are comments in this which would suggest that the junior minister, the Assistant Minister for Infrastructure and Regional Development, is of a view that there should be no cost-benefit analysis of major projects. That is what the article suggests—that somehow proper processes are red tape or green tape.

It names a number of projects. It says NorthConnex is it being held up. Well, that was actually funded by the 2013 budget, and funding for that commenced in the 2012-13 financial year. On Badgerys Creek airport, we had extensive studies that showed the importance to the
national economy of a secondary airport for Sydney. I have not played politics with that issue. That is a critical issue for jobs, for economic growth and for Sydney's position as a global city. There is no question—any economic analysis says that Sydney needs a second airport. They all have done, including the extensive joint study which I commissioned, between the federal government and the state government. WestConnex does need to have a proper cost-benefit analysis, and you do have to have an environmental impact statement for a major project such as that. That is the process and that is the law, under state law.

There are absurd statements here. The article says—I assume briefed by the junior representative from the government:

It would also restore power to the states to veto projects.

Anyone with a basic understanding of the way that infrastructure is delivered in this nation knows that these are all state projects. There is not a federal department of public works that does projects. They are state projects that the states manage. For every transport project, every road project, every rail project, planning is with the states. They are state projects. It is states who make submissions to the Commonwealth, and the Commonwealth decides whether to support them or not. The fact that that view is there shows how inadequate this junior minister is and what an embarrassment he is to his portfolio.

The other thing is that, as the minister indicated, there are 29 amendments by the Senate, and five of them are government amendments. They amended their own bill. They passed the legislation through the House of Representatives with a gag motion last December, then it sat there, not being brought on for debate, until June. For six months the government did nothing. That is not our responsibility; that is the government's responsibility. The amendments got carried on Monday, and then we got asked for discussions about the amendments on Wednesday. To the credit of the minister opposite, the Minister for Infrastructure and Regional Development, we had discussions in good faith yesterday—serious, adult discussions. Meanwhile, junior boy is out there briefing the *Daily Telegraph* and the *Herald Sun* that these amendments are all a disaster, amendments that he is about to vote for. So the errand boy has shown that he is up to getting the minister's lunch but not much else with this pathetic performance. I do not blame Simon Benson for this. He contacted me and included a quote from me. There is no reason why he would be on top of the infrastructure legislation late on an afternoon when he is given spin by the government.

**The DEPUTY SPEAKER:** I thank the member for Grayndler. The question is that the amendments be agreed to. I give the call to the member for Grayndler.

**Mr ALBANESE:** This article has been published. It includes the East West project in Melbourne. We make this point on the East West project in Melbourne: we need a cost-benefit analysis. That is what the government's policy is. It is still on their website that for projects above $100 million there will be a cost-benefit analysis and it will be published. That is the government's policy, yet in this article the junior minister is saying that that is red tape. Well, it is this government's policy, and $1.5 billion as an advance payment has been made this month for a project, including stage 2, $1 billion advance payment for a project that has had no cost-benefit analysis for stage 2. They do not even know where the tunnel is going to come up. There has been no documentation or proper assessment and it will not begin this financial year when the billion dollars is being paid, not even next financial year even but the financial year after that. So much for their budget emergency—$1.5 billion sitting in bank
accounts of the Victorian government to make their budget look better. It makes a farce of the rhetoric.

This bill will be carried as amended with the support of the entire parliament. That is a good thing. The government suggested a range of minor amendments, including moving one section in terms of the cost-benefit analysis for specific projects rather than what it might be interpreted as being, for the longer term plans. Certainly the intention of the amendment was clear, that it was about specific projects. The opposition, and might I say to their credit also the Greens political party, were prepared to support an amendment going through the House as a result of the representations from the minister, taken in good faith by me. I have said to the minister, and it is a serious statement, that whenever he wants to talk about serious policy I am up for it and I am up for constructive engagement. That is the way I do business. But what I will not cop is while I am in a room having serious discussions with one minister his errand boy is out there undermining those discussions up in the gallery. That is not adult government; that is student politics. If I were Simon Benson or Paul Whittaker, I would be upset with the government for giving them this level of spin that is just nonsense. The proof that it is nonsense is a fact that the government is supporting this amended legislation through the parliament today. It will go through unanimously.

I put on the record here that if the minister wanted to have a minor amendment bill or what have you to fix up that little bit, if he thought it was important, there would be support from the opposition. But there is no doubt that as a result of the scrutiny that has taken place, particularly the Senate inquiry and the submissions from the business community, that this legislation, flawed when it originally went through, taking away the independence of Infrastructure Australia, has been substantially improved. Infrastructure Australia must be at the core of recommendations. The budget had funding for programs like the Perth freight project that simply do not have any analysis. There is no funding in the WA budget for it, there have been no proper assessments and no planning. That is not the way to do business. The way to do business is to depoliticise the infrastructure debate, and Infrastructure Australia is the key to that. I commend the legislation as amended to the House.

The DEPUTY SPEAKER (Mr Craig Kelly): The question is that the Senate's amendments to the Infrastructure Australia Amendment Bill 2013 be agreed to.

Question agreed to.

Minerals Resource Rent Tax Repeal and Other Measures Bill 2013

Second Reading

Debate resumed on the motion:

Mr BOWEN (McMahon) (12:43): This is the second time this bill has been before the House and will be the second time it has been before the other place, where it was rejected. The reasons for rejecting this bill have not changed, they have only increased. They have increased in the light of this government's deceitful and unfair budget. Last time this bill was before the House I went through the scare campaign run by the then Liberal and National party opposition in relation to the Minerals Resource Rent Tax. I pointed out that the Liberal Party and National Party, whether they be in opposition or government, have a great deal of difficulty in working out whether the Minerals Resource Rent Tax is a problem because it
raises too much revenue from the mining sector or too little. They say it is a disaster because it does not raise enough revenue. They say it is a disaster because it has cruelled the mining industry in Australia. I put it to you, Mr Deputy Speaker, that both those propositions cannot be correct.

The now government says that we need to get rid of this because it does not raise enough money. If it does not raise enough money then how is it damaging the mining industry? We have heard all this before. It is a tired, old scare campaign which the Liberal Party conducts in opposition from time to time. We saw it when the then Hawke government introduced the petroleum resource rent tax. We were told that it would see the end of offshore exploration in Australia. The then shadow Treasurer, one member for Bennelong, John Howard, who used to hold the position of shadow Treasurer, argued that the petroleum resource rent tax would stop ventures proceeding and should not be proceeded with. The then member for Mayo, who went on to become the Foreign Minister of Australia, said:

The legislation is yet another example of this government introducing new taxes on the few productive industries we have left in Australia thereby inhibiting their development.

What a narrow, pessimistic point of view. What went on to happen was that that was implemented, enacted. The Howard government since that time the equivalent in today's dollars of $39 billion. Does anybody suggest there is no offshore exploration going on in Australia because of the PRRT or there is no production going on in Australia because of the PRRT? Of course not, because it is a nonsense argument. Anybody who goes to the north-west of Australia or who knows anything about the resources sector in Australia would know that that is just complete nonsense.

This bill needs to be opposed for a whole range of other reasons as well because the government has chosen to continue their attack on working Australians through this bill. I want to first focus on the issue of retirement incomes, something which is quite topical in Australia. The Treasurer tells us we all need to work longer. The Treasurer tells us we need to have the longest working life in the world. He says we all need to work until 70 before we become—in his words—'leaners' on the Australian taxpayer by becoming age pensioners. He tells the manual labourers of Australia, the nurses, the policeman, the soldiers—people doing tough jobs—that they have to work longer, that they do not deserve the age pension until they turn 70 because it is not sustainable.

What is the Treasurer doing and what is this government doing to retirement incomes of Australians in this piece of legislation? They are making it harder, particularly for low- and middle-income earners to save for their own retirement. They are making retrograde steps to Australia's retirement income system, the most retrograde steps we have seen to superannuation in a long long time. When they were in opposition they promised no adverse changes to superannuation. What they have done is adverse change after adverse change.

The original MRRT repeal bill, which came before the House last year, proposed a delay in the increase in the superannuation guarantee. But it has got worse since then because the budget contained yet a further delay in the increase in the superannuation guarantee, which, in keeping with this government's typically chaotic approach, is not reflected in this legislation.
But the government is going to come in, we are told, later today and move amendments to their own legislation to reflect their own budget.

Under the previous government and under the current law of the land, the superannuation guarantee was due to reach 10 per cent on 1 July next year. Now the government amendments will see the superannuation guarantee get to 10 per cent by 1 July 2018 when the original repeal bill had them getting to 10 per cent by 1 July 2017, so there is this constant delay to ensuring and helping Australian workers fund their own retirement. How does that make Australia's retirement income system more sustainable? How does that take pressure off Australia's age pension system? Of course it does not. It makes it worse and it is terribly unfair to Australian workers. It is also a particularly irresponsible measure. The increase in the superannuation guarantee and the establishment of the low-income superannuation contribution, which I will come back to later in my remarks, would have swollen Australia's national pool of savings and superannuation by $500 billion by 2037—a third of Australia's total output. So this is not a small amount of money we are talking about.

In relation to the age pension, Treasury analysis shows that a continuation of the previous government's policy settings would have resulted in a halving of the proportion of older Australians on the full rate age pension by 2050, moving Australians from the full age pension to the part age pension, which does two things: it makes our age pension more sustainable and is actually a positive way of dealing with the demographic changes in the Australian economy; and it gives people more opportunity to live their retirement without being entirely dependent on the welfare system, which is a win-win situation. But of course that is all far too sensible for this Treasurer, who says: what we are going to do is we are going to make it harder for people to save for their own retirement and we are going to make them work longer to boot. We are going to give them the longest working age in the world.

There is not one country in the world with a pension age of 70. And there is not one projected to have a pension age of 70 in the OECD by 2035, which is when this government is proposing to make Australians work to 70. And there is not even one with the projected age of 70 by 2050, which is what the Commission of Audit in effect recommended—with the possible exception, to be fair, of the Czech Republic, which has a formula to determine these things. So we have a Treasurer who says: you must work longer than anybody else in the world and I am going to make it harder for you to save for your own retirement—and this particularly goes to low-income earners.

We hear a lot about superannuation tax concessions and how they should be protected. We hear a lot of rhetoric about that from those opposite. As they engage in the rhetoric, what they also do is launch an attack on low-income earners. When the Labor Party came to office in 2007, low-income earners received a tax concession on their superannuation savings of exactly 0 per cent. We looked at that and said that is not fair. High-income earners receive substantial tax concessions for their superannuation because they are saving for their retirement and that is fine. Why should high-income earners receive substantial tax concessions and low-income earners receive exactly 0 per cent tax concessions? That is just not fair. It is also bad policy for the nation to force low-income earners to rely on the age pension in their retirement. If you look at the combination of the low-income superannuation contribution and the phasing of the increase in the superannuation guarantee proposed by
the government, its abolition and the rephasing, we will see $75 billion less in retirement incomes by 2023, not that far away.

And this government has the hide to lecture Australians about how long they should work when it is undermining important advances in ensuring Australians of any income, be it low, middle or high, receive tax concessions for their superannuation. How can this government live with itself saying to low-income earners, to cleaners, to factory workers, to manual labourers, to clerical workers around the country: 'We are not giving you any support to save for your retirement. We are not going to give you any tax concessions, but high-income earners can get big tax concessions.' And it is worse, because the previous, Labor government said: 'We're going to make a few changes here. We're going to make the superannuation system a bit fairer. We're going to not only give low-income earners some tax concessions but pull the tax concessions for high-income earners back just a little bit in a fairly modest measure.' But what does this Treasurer do? He says: 'Oh, no, no. We're going to give those tax concessions back to high-income earners. We have a budget emergency apparently, but we can give high-income earners tax concessions on superannuation. But low-income earners, if they earn the princely sum of $37,000, we are giving nothing.' I say shame on this Treasurer and shame on this Prime Minister for treating the low-income workers of Australia with such contempt and such arrogance. That is an adverse change to superannuation if ever I have seen one. This is a government which treats hardworking Australians with contempt.

This bill does two things to retirement incomes. It delays the increase from nine to 12 even further than the original—although the member for Moncrieff is going to come in here a little bit later and move an amendment to his own bill in a typically chaotic fashion. Then we are going to abolish the low-income superannuation contribution. In the second reading speech, the Parliamentary Secretary to the Treasurer, the member for Moncrieff, said:

The government will revisit concessional contribution caps and incentives for lower income earners...

I thought, 'Okay, maybe they are rethinking—

... once the budget is back in a strong surplus.

So his message to low-income earners in Australia is, 'Just wait till we're back in surplus,' but for high-income earners it is, 'We're going to give it to you right away.'

Mr Thistlethwaite: Says everything.

Mr BOWEN: It says everything about this government, as the member for Kingsford-Smith rightly interjects. It shows their arrogance and contempt for Australian workers.

I want to particularly focus in these remarks on the impact of this regressive change on low- and middle-income earners in rural and regional Australia. There was recently a report which I found very interesting. Twenty-four of the 25 electorates hardest hit by the abolition of the low-income earners superannuation contribution are in rural or regional Australia. That makes sense when you think about the people doing the work in rural and regional areas, many of whom are working in agriculture or other sectors, many of whom would be Indigenous people, who are trying to save for their retirement. And this government says, 'Bad luck.' Twenty-four out of 25 electorates are in rural and regional Australia, and who are the parties standing up against this regressive change which hits rural and regional Australia? The Labor Party; the Greens, to give them their credit; the Democratic Labor Party, to give
them their credit. The National Party? Nope. Perfectly happy with this. Any opposition from the National Party? Not a word.

This is the typical National Party behaviour. They are lions in the bush and mice in Canberra. They beat their chests in their electorates and say, 'We're going to stand up for rural and regional Australia,' and they come here and are as silent as church mice. We have 48 per cent of all employees in the seat of Cowper, held by the Assistant Minister for Employment, impacted by this change. We have 48 per cent in the electorate of Page, which was won by the National Party at the last election. The seat of Mallee has a very vocal member who is very strong in Mallee and very quiet in Canberra. Forty-seven per cent of workers in his electorate will be hit by the abolition of the low-income earners superannuation contributions. The National Party's leader, the Deputy Prime Minister, has 46 per cent of workers set to lose the payment. Have we heard a word from the National Party? Not a word. It just goes to show you that, when it comes to standing up for the interests of rural and regional Australia, the National Party is a wholly owned subsidiary of the Liberal Party. They are wholly owned and controlled by the Liberal Party. They were played like a fiddle and deceived over the petrol tax. Just as the Liberal Party deceived the Australian people, they deceived the National Party. On this change, which affects rural and regional Australia, not a word of opposition from those courageous members of the National Party.

The Labor Party will stand up for the workers in rural and regional Australia. The member for Hunter recently had rural Australia added to his portfolio as shadow minister for agriculture. He has been very active. As shadow Treasurer I say we will also be very strong in supporting the interests of those hardworking Australians in rural and regional Australia who are asking for nothing more than a small tax concession as they set their own income aside for retirement. This is what we see from the modern-day National Party. There is no Black Jack McEwen sitting over there. We do not see those days anymore. The National Party of Australia is now a wholly owned subsidiary of the Liberal Party.

The other constituency very adversely affected by the changes in this bill is the small business community. Again we hear rhetoric from the Liberal Party about how they are apparently the party of small business. This so-called party of small business, having won an election, is now increasing tax on small business in this very piece of legislation. They are increasing the tax rates on small business. How are they doing that? By changing the threshold for the instant asset write-off. I readily concede the instant asset write-off, if you have not studied these measures, does not necessarily sound like something which would be important to many small businesses, but I tell you it is. The change in the threshold increases the effective tax rate of a small business and increases their red tape burden. We are not going to cop any lectures from any government minister about red tape on small business while they are increasing the red tape burden on small business by reducing the threshold for the instant asset write-off.

What is the instant asset write-off? It says to small business that, if you make an investment in a range of things you might need for your small business, you can write it off quickly, with a minimum of paperwork and to improve your cash flow. When we came to office, the threshold was $1,000. We increased it to $6,500 in a measure which as welcomed by small business around the country. We went to the next election thinking: 'We could do better than that. We'll increase the threshold to $10,000.' What does the government do when coming to
office? Reduces it back down to $1,000. What a slap in the face to Australia's small business people.

So, this is a government that is full of rhetoric on small business, and full of action, but it is adverse action, indeed. How can this government look small business in the eye and say to small business, 'We're on your side,' when they are increasing, in effect, the small business tax rate for Australians? The Nationals are quiet on the issue of the impact of this legislation on rural and regional Australia and the Liberal Party is quiet on the issue of defending small business.

It gets worse. We have also had the change to the depreciation of motor vehicles. Many a small business needs a car to get around the business. We allowed an immediate $5,000 deduction for a vehicle costing $6,500 or more. That is gone under this piece of legislation. So how can this government be seen as being pro small business when they are radically changing the instant asset write-off to the disadvantage of small business and increasing the red tape threshold?

The member for Kooyong, the Parliamentary Secretary to the Prime Minister, has been going around talking about how he is reducing the red-tape burden on Australian business. There is a lot of questionable things in that statement. I wonder if he is talking on this piece of legislation. I am sure that, even with the gag that this government has applied, he could get himself on the speaking list if he wanted. Let him justify to this parliament and to the small business community why they are increasing the red-tape burden. Let's have the small business minister speaking on this bill, explaining to Australian small businesses why they should pay a higher tax rate and with more red-tape burden. Again, the Labor Party will stand up for the small businesses of Australia.

The final matter that we will deal with in this particular piece of legislation is the attack on the cost-of-living support for Australians contained in this legislation. We see the abolition of the Schoolkids Bonus in this piece of legislation—$410 a year for primary school students and $820 a year for high school students. This adds up, if a family has two children, over the course of their schooling lives, to $15,000 of support. That is gone under this government. The Prime Minister comes in here on a daily basis and beats his chest about what he claims is a $550 reduction in the cost-of-living pressure on Australians—a figure which is questionable, in itself—but does he acknowledge that $820 a year, which is the rate for high school students, is more than the $550 a year that he claims in the relation to the abolition of the carbon price? And $410 a year for primary school students is in the same ballpark. So he gives with one hand—if you accept the premise of this proposition, which I do not necessarily do—but takes away with the other hand.

And that is before the assault on cost-of-living support for Australian families which is contained in the deceitful and unfair budget which the Treasurer delivered at that dispatch box about a month-and-a-half ago. We saw the impact of the changes to family tax benefit. If your child goes from six to seven years old, according to the Treasurer they become so much cheaper that the government can abolish the support through the family tax benefit. In my experience, children do not get particularly cheaper when they turn seven. Far from it.

That just shows again how arrogant and out of touch this government is. They campaigned on cost-of-living support and about how they were going to 'ride to the rescue'—the Prime Minister's words, not mine—of the Australian people and provide cost-of-living support for
Australians across the board. They then came to office and they concocted a budget emergency to justify an assault—an attack—on the cost-of-living support for Australian pensioners.

They had the hide—the arrogance—to claim that this is not a cut to the age pension. The misleading nature of that statement is apparent to all. If your age pension is not being indexed fairly—if the budget is benefiting as a result—then that is a cut. The Prime Minister can deny it all he likes—he can argue it until he is black and blue in the face—but the pensioners of Australia know that this is a cut. The families of Australia know that the changes to family tax benefit are a cut, pure and simple. If you are receiving a family tax benefit now and your child is over six and you are not receiving it after this budget because your child is over six, you have suffered a cut.

That is what I mean when I say that the reasons for opposing this legislation have not reduced since it was last rejected in the other place. They have increased. They have increased because of the arrogant approach of this government. So the attacks have been on the retirement incomes of Australians and on the low- and middle-income Australians, making it hard for Australians to save for their own retirement. Australians are doing the right thing. They have been putting some money aside for their future. This government says, 'You're getting nothing; you are getting absolutely no support from this government.' That is the policy of the Liberal Party and the Nationals but they say, 'Don't worry; we'll revisit it sometime in the next decade. Don't worry; we'll remember you sometime in the next decade when we get back to surplus.'

They have not even made a commitment to do anything about it; they say that the issue will be revisited. That is simply not good enough and we will resist it in this House. We will resist it in the other house and we will resist it in the community. We will fight it. We will fight this government's attack on low-income earners. We will fight this government's attack on low-income earners because that is what we do; we defend low-and middle-income earners against the arrogant attack of this government.

This government was so deceitful in its election campaign. It was elected on a web of deceit, and that has been exposed in the budget, which we are still debating in this House a month and a half later. There are still many issues that we have not yet fully addressed in relation to the budget because it contains so many attacks on ordinary hardworking Australians, including to the retirement incomes of Australians, the delay in the superannuation guarantee charge increase, and the abolition of the lower income earners' superannuation contribution. It shows just how arrogant this Treasurer is when he says, 'You must work until you're 70 but I'm going to make it harder for you to save for your own retirement. I'm going to make it harder for you not to need the age pension. I'm going to make you work longer than anyone else in the world.'

The member for Moncrieff, in introducing this bill, had the temerity to say that these changes—the further delay in the superannuation guarantee—would not have been required if the bill had not been blocked by the opposition in March. I have no idea what he is referring to. That is a statement whose sophistry and lack of clarity is abundant, because there is no policy grounds for further delaying the increase in the superannuation guarantee, which is a clear breach of an election commitment. That is an adverse change to superannuation, which this government said they would not do.
Members opposite campaigned in their seats and said, 'There will be no adverse changes to superannuation if we are elected.' Well, further delaying the increase in the superannuation guarantee is an adverse change. This is a Prime Minister who can stand there without falling over in laughter and say that there are no broken promises in this budget; who can stand there and say this is not an adverse change to superannuation. The Australian people are smarter than that. They are smart enough to know that this is a Prime Minister who has completely gone back on many election commitments, including that one.

But, of course, that is the form of the Liberal Party, because the Liberal Party does not like superannuation. This Prime Minister, when he was a backbencher, said that superannuation was a complete con job. He said that in this House. This Prime Minister said in this House that superannuation was a complete con job. He wrote things about it in his book, showing his true views on superannuation, and now that he has the chance as Prime Minister of Australia he is attacking superannuation—superannuation which gives ordinary, hardworking Australians the chance of a more comfortable retirement income, not reliant on the age pension but reliant on the investment through their superannuation funds. This Prime Minister thinks that is a con job and he attacks it in his budget.

We will defend superannuation for low- and middle-income earners, because that is in the national interest. It is in the national interest because we want Australians saving more for their retirement through the superannuation guarantee. We want them getting fair tax concessions—not tax concessions greater than high-income earners, not tax concessions which are unaffordable, but fair, well-calibrated tax concessions for low-income earners that say, 'If you are a low-income earner and you are saving for your own retirement, you will get some support from the government just as high-income earners do.' That measure, as much as anything else this government has done, shows the arrogance and contempt with which they treat hardworking Australians.

Then there is the attack on small business, as I said, through the change to the instant asset write-off and the change to the motor vehicle depreciation rate. This government is strong on rhetoric on small business. It talks the talk, but it never walks the walk when it comes to small business. We will fight that. We will oppose it in this House and we will oppose it in the other house. We will fight this bill. It is based on a fundamental false premise.

As I said in my opening remarks, the Liberal and National parties cannot decide whether the MRRT raises too much money or too little. They try to walk both sides of the street and have it both ways, but they use it as an excuse for a fundamental attack on the retirement incomes of hardworking Australians and an attack on cost-of-living support through the abolition of the schoolkids bonus—which was never funded by the MRRT. It should not even be in this bill. If the government wanted to abolish the schoolkids bonus, they should have the courage to put it in a stand-alone bill, because it was never funded by the MRRT. How dare they include it in this bill. How dare they mislead the Australian people by saying that it is funded by the MRRT when the budget papers clearly show it is not. They had the hide to include it in this legislation—yet more reason to oppose this bill, and that is exactly what we will do. We will oppose this bill. We will oppose it because of fundamental values—values which tell us that the measures contained in it are unfair, are not in the national interest and should be resisted.
Mr NIKOLIC (Bass) (13:10): Another day and another leadership audition from the member for McMahon—with all of that confected outrage. What we have seen during the last 13 or 14 minutes is the member for McMahon still framing the national debate using the politics of envy and division. It shows you how far the once proud Labor Party has fallen, because Hawke and Keating never would have done that. Every day, the member for McMahon and his colleagues walk in here and try to frame the national debate in the way that Australians instinctively know is not right. He stands there and talks about low-income earners and the cost pressures on low-income earners. If he is so concerned about low-income earners, why does he not pass the repeal legislation for the carbon tax? Why does he not provide that cost-of-living relief of $550 for every Australian family? Instead, they come in here time after time and they brigade with the Greens in the Senate to stop that cost-of-living relief for Australian families.

I am pleased to make a contribution to the Minerals Resource Rent Tax Repeal and Other Measures Bill 2014. Let me commence by saying that, just like our repeal legislation for the carbon tax, the government will act in a way that is consistent with our clear election mandate to roll back Labor's ill-considered taxes. We are determined to wind back the bad policies of the former government—particularly the MRRT, which imposed significant financial and economic pain on the mining industry for very little gain. At a time when the industry was—and it remains so—confronted with challenges to its ability to invest and grow, the former government imposed additional pressures through the minerals resource rent tax.

The MRRT repeats the mistakes of the carbon tax. Recall that the carbon tax took no account of what happened at the Copenhagen summit and became a millstone around the neck of our international competitiveness. Despite the pain that it caused, and continues to cause—some $15 billion of economic damage in the last two years—the carbon tax did not actually have the policy effect of reducing emissions. Indeed, emissions went up in Australia, and the way we achieved that abatement effect was by putting billions of dollars of taxpayers' money into dodgy carbon markets overseas. How do we get to a point where this country puts forward and approves a bill that imposes $15 billion of damage that does not actually have the intended policy effect? As a former senior public servant I cannot understand that, much less Australian families.

Whether it is the carbon tax or the mining resource rent tax, it has the effect of undermining jobs and endeavour in our country. Similarly, the MRRT imposed a big lead weight on the mining industry. It increased its compliance costs, yet raised nowhere near the forecast revenue. Like some snake oil salesman at a country fair, the MRRT doubled up on the economic damage it caused when the former government linked a number of spending measures to the failed MRRT. The schoolkids bonus was an example of that—it was clearly dependent on revenue from the mining tax. We see that link in comments from Senator Wong, the then Minister for Finance in June of 2012, which directly linked the schoolkids bonus to the proceeds of the mining tax.

What happened is that Labor raised expectations in our community that the federal government would fund certain programs from mining tax revenue. The problem was that the MRRT did not deliver anywhere near the forecast revenue. Labor became even more reliant—if that is possible—on borrowings to pay for these commitments. When the longer history of Australia is written, the carbon tax and mining tax will be remembered as signature policy
failures of the Labor Party in government. In the case of the MRRT, it is forecast to raise only around 10 per cent of the originally forecast revenue. It is a bit like a gambler predicting what their winnings at the casino will be and then undertaking to spend all those winnings and expressing surprise when the consequences of their bad judgement are realised.

In my home state of Tasmania, resetting our economic course for a brighter future includes reinvigorating valuable industries like forestry and mining. Increasing the tax and compliance costs for industries like mining has the potential to damage our state doubly. It can impede new investment and impact on the growth of local jobs—highly undesirable outcomes for Tasmania which, sadly, has the highest unemployment rate in the country for both youth and adults and the lowest participation rate. Goodness knows the very deliberate and deceptive campaign by the Greens party to impede mining and forestry projects in Tasmania is bad enough already without these sorts of additional pressures.

I refer in particular to Greens efforts to lock up the so-called Tarkine in Tasmania. 'Tarkine' is a name given to the area by Dr Bob Brown, the former Greens leader, in the early 1990s which sought to elevate it to some mythical and romanticised status. In reality, this area is called the Arthur-Pieman Conservation Area. It is bounded by the Arthur River in the north and the Pieman River in the south. Yet Dr Brown's invention has mystical growing boundaries, matched only by Greens party demands to lock up even more of Tasmania as a national park. The Arthur-Pieman area is indeed a beautiful area with important reserves that deliver a sensible balance between recreational, economic and conservation imperatives.

Despite mine proposals and existing mines only covering one per cent of Dr Brown's mystical creation, the Greens continue to use every legal advice to impede their approval. That includes threats to sue the member for Braddon and Senator Madigan. The member for Braddon was in the chamber yesterday talking about some of the extraordinary pressure that is being applied in trying to stop him doing his job as a representative of his people as someone who is a champion of mining and forestry and seeks to restore the economic fortunes of what was once a proud state. Sadly after 16 years of state Labor and six years of federal Labor, and Labor-Greens government, Tasmania is no longer the proud state it once was. The member for Braddon, the member for Lyons and I will do everything in our power between now and the next election—and beyond, if we get the opportunity—to make sure that proud status is restored and the economic revitalisation of Tasmania is brought forward.

I will now go back to the Arthur-Pieman area, the so-called mystical Tarkine that Dr Brown talks about. Despite this area being dotted with historical mine sites and railway infrastructure, the Greens party, quite mendaciously, presents the whole area as pristine untouched wilderness. There is no doubt that the Greens and their Labor partners celebrate the MRRT, which only serves to add pressure on the mining industry. In this sense, Labor's mining tax supports Greens party efforts around the country to impede sensible development.

Australians are a smart resourceful people who have a healthy suspicion of authority. They understand that taxes are necessary to provide for our community's needs. But their confidence has been shaken in recent years by tax policies that have overpromised but underdelivered—and the minerals resource rent tax is one of the key reasons for that shaken confidence. Australians understand instinctively that, when a tax cost more than it collects, something is seriously wrong. They understand that, when a government hangs billions of dollars of expenditure on a tax that does not raise the required revenue, something is seriously
wrong. They know that, when that tax also has the effect of damaging the economy and threatening jobs, there is something seriously wrong with that tax.

Deputy Speaker, I ask you to recall Labor's original announcement of the grandly named 'resource super profits tax'. It is a matter of historical record that everything under the Rudd-Gillard-Rudd government had a grand moniker—the 'super tax', the 'education revolution'—and then 'crusade'—and the 'greatest moral challenge of our time'. Well, the super profits tax was not really all that super; it was meant to raise $49.5 billion over five years, which was then revised down to $26.5 billion. In July 2010 it became the minerals resource rent tax, and it kept sliding in every budget to raise only about $340 million net—a long way from $49.5 billion. But, to compound the error, Labor contributed $16.5 billion against revenue that had not been realised.

I see that the member for Rankin is here. He was working in the office of the former member for Lilley.

Mr McCormack: ‘Working' is a bit over the top, a bit of an exaggeration!

Mr NIKOLIC: I will take that intervention—it was a long way from working! The member for Rankin was one of those hoping for the three lemons to line up on the Treasury poker machine when it came to the MRRT. But the only three lemons pulling the handle were Mr Rudd, Ms Gillard and Mr Swan—and the member for Rankin, the abacus in the background, was getting the sums wrong. And that is why we are in the pickle we are in now. It is so bad that even Labor senators and MPs cannot defend it. Goodness me, if anyone should be defending your own tax, it is them. The mining tax was never understood; it has never been sold adequately; it has been a failure in practice. 'Why on God's green earth we defend a tax that doesn't raise any money, I'll never understand.' Those were the words of not a Liberal politician but the outgoing Western Australian Senator Mark Bishop. Labor's Alannah MacTiernan, the member for Perth, called the tax 'a dud' in the caucus and fights for 'a welcome outbreak of common sense'. It's a pity that those opposite do not listen to the member for Perth. 'I think it'd be fair to say that the mining tax hasn't done the job it was designed to do.' Well said, member for Perth!

The repeal of the mining tax and its associated expenditure will improve the budget bottom line over the current forward estimates by nearly $13 billion. The repeal of the MRRT will also provide welcome relief on compliance costs, saving millions of dollars for small, medium and large enterprises. The member for McMahon was in here talking about the pressure on families and the pressure on businesses. I had a Salvador Dali moment earlier today up in the Federation Chamber when the member for Franklin was similarly worried about cost-of-living pressures on families and complaining about a 40c increase for a tank of fuel while at the same time those opposite are stopping the repeal of the carbon tax that has the potential to deliver $550 per year in welcome relief to Australian families. Similarly, they stand in the way of the repeal of this mining resource rent tax that has such a big effect on our important mining industry.

Fewer than 20 taxpayers have contributed to the net $340 million raised by the MRRT to date, but around 145 other miners have been required to submit MRRT instalment notices while making no net payments. You do not need to be the Tasmanian representative on the coalition's deregulation committee to understand that it is a bad situation when companies are filling in paperwork, complying with the regulatory burden, yet not paying any net tax. Why
do we force that on business? Why do we force that increased obstacle—that 1,200 kilometre screwdriver from Canberra—on the mining companies in Tasmania, forcing them to do things for no actual purpose?

The government has been entirely transparent in its policy to repeal the mining tax. In fact, we fought to repeal the mining tax at both the 2010 and 2013 elections. When we make promises—the things we say we will do for the Australian people—people know we will deliver. We said we would stop the boats and there has not been a boat now for over six months. We said we would build the roads of the 21st century and there is $50 billion in the budget—the largest infrastructure spend in this country's history, and my state of Tasmania is getting $1 billion of that. We said we would fix the budget. The member for Rankin would know the figures. He would know why we have to fix the budget. In just six years they achieved $191 billion of deficits, $123 billion in the forward estimates—another period of deficits going forward—with gross debt due to rise to $667 billion. We are borrowing $1 billion every month just to pay the interest bill on Labor's debt.

**Dr Chalmers:** You borrowed $21 billion for paid parental leave, you fool!

**Mr NIKOLIC:** If we do nothing, in a decade that will lift to $3 billion. The opportunity cost of that is extraordinary. Imagine borrowing $3 billion in 10 years from now just to pay the interest on our debt. One month's worth of interest payments would build three new teaching hospitals in Tasmania. I say to those opposite: when it comes to the MRRT and the carbon tax, for goodness sake bend to the will of the Australian people. Listen to the mandate the government was given at the last election. Let us ease cost-of-living pressures not just on the families in Australia and in Tasmania but on those companies that contribute to revenue that gives our society the services that it quite rightly demands. Do what is right and in our country's interest. I commend the bill to the House.

**The DEPUTY SPEAKER (Mr Craig Kelly):** Before I call the next speaker, I ask the member for Rankin to withdraw.

**Dr Chalmers:** I withdraw, Mr Deputy Speaker.

**The DEPUTY SPEAKER:** I thank the member for Rankin.

**Mr GRAY (Brand) (13:26):** I take pleasure in rising to speak against the Minerals Resource Rent Tax Repeal and Other Measures Bill 2013 [No. 2]. The MRRT is not the most elegant piece of public policy or taxation and it was certainly not conceived in the best possible environment; however, the MRRT does have the following virtue: it generates revenue that can be put to the good use of good governance for all time. Members of the House should be aware that yesterday the Bureau of Resources and Energy Economics published its June quarterly figures. Those June quarterly figures show that Australia's resources and energy commodity export earnings are estimated to have increased 11 per cent in 2013-14 to a total of almost $200 billion. So since this tax came in the resources sector actually grew and it grew beyond the natural growth of our Australian economy by a factor of three. It grew by 11 per cent in 2013-14—$200 billion in revenue in total.

The BREE figures released just this week show that Australia's minerals and energy commodity export earnings are forecast to increase again by 2.6 per cent to over $200 billion in the coming year. It says:
Australia is continuing to see the transition from the investment phase of the mining boom to the production phase. Throughout 2013-14 the production of key resources and energy commodities has increased, supported by continuing demand growth in key markets.

Let us think about that for a second. It says that the introduction of the MRRT was done at a time when total minerals production grew by 11 per cent and when total revenue to the nation increased by over 2.5 per cent. It says quite clearly that the impact of the MRRT did not have a negative impact on our resources economy.

Another way of viewing that very simply is to look at our resources economy in historic terms. In 2003 commodity prices were low and committed investment in the resources sector was a record low of around $20 billion. Today's prices for minerals and commodities are much higher and investment has multiplied too. Higher commodity prices have driven mining investment on a scale that the world had not previously seen and certainly no previous coalition government had ever seen. Certainly this coalition government will not see investment in the resources sector that matches the investment in the resources sector that Labor presided over. We got resources: we understood resources, we understood what you could do and we understood what resources could do for our nation.

Committed investment during Labor six years totalled almost $270 billion. In 1948, following World War II, the operation to rebuild Europe, the Marshall Plan, was initiated. The Marshall Plan was valued at $13 billion. In current dollar terms, the Marshall Plan would be a $120 billion program over four years. The resources investment under Labor totalled $270 billion, two Marshall Plans in six years—global investment, the like of which our nation and no other economy has ever seen. How dare members opposite criticise the most competent and capable stewardship of the resources sector that our country and our economy have ever seen.

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

STATEMENTS BY MEMBERS

Budget

Ms CHESTERS (Bendigo) (13:30): The PM said that he would help families with the real cost of raising children. Yet, in the bills passed this week by the House, and in his budget, he has cut $7.5 billion in family payments. These cuts will leave some families around $6,000 a year worse off. A single-parent family on $55,000 with two children will lose around $6,000 a year. That is 10 per cent of the income of that family. This move only seeks to do one thing, and that is punish the children of single parents. Every dollar that a single parent has is spent on their children, on raising children.

A parent from Castlemaine just recently met with me. She came in with a wad of bills, talking about the next six months and what this budget will mean to her. She said to me, 'Lisa, you tell me which bill I won't pay so that my daughter can go on her school camp.' This is the reality facing so many parents in my electorate and in electorates all over Australia because of the decisions of this government. This government is forcing families like this into poverty, below the poverty line.
The government talk about being the friends of small business. Have they stopped for one moment to consider the impact on small businesses of cutting $7.5 billion from the local economy? This budget is bad. This Prime Minister is bad and does not understand the impact on real Australians.

New Colombo Plan

Mrs PRENTICE (Ryan) (13:31): I have risen in this place on numerous occasions to talk about the coalition government's New Colombo Plan. The Minister for Foreign Affairs, Julie Bishop, while Minister for Education, Science and Training during the Howard government, observed the many students from our region coming to Australia to learn and gain qualifications, yet very few Australian students were studying at universities in the Asia-Pacific region. The Labor government in 2007 then ignored all the reports and plans done by the Howard government and Minister Bishop, and we have had to wait until now that the coalition is in government for Minister Bishop to have the opportunity to implement a significant program that provides an opportunity for young Australians to live and study in our region.

The students in the first tranche will be studying in Indonesia, Singapore, Hong Kong, or Japan. I particularly congratulate those undergraduates from the University of Queensland, in my electorate. Yesterday, I had the pleasure of meeting Hirotsugu Takahashi and Emily Chen, who will be joined by Katrina Couzens and Kristie Higginson. The University of Queensland has been a long-term, strong supporter of a better education relationship with our Asia-Pacific neighbours, and I believe that the University of Queensland students will be proud ambassadors for Australia in the Indian Ocean and Asia-Pacific region.

Budget

Mr GILES (Scullin) (13:33): I rise this afternoon to speak in defence of families in the Scullin electorate and defend their standard of living against this government's cruel cuts and budget of broken promises. The Prime Minister said that he would help families with the real cost of raising children, but he has cut $7.5 billion in family payments, cuts that will leave some families in my electorate and elsewhere $6,000 a year worse off. Families right across Australia have every right to feel betrayed by this government. Where were these cuts promised prior to the election?

Families in Scullin, especially in our growing areas, struggle with the challenges of living in these growing communities: a lack of public transport, high fuel costs—increased by this government's petrol tax—and job insecurity. This government is making their lives even more difficult by cutting essential programs that they need to make ends meet. From 1 July 2014, in five days time, we will see family tax benefit payments not being indexed for another two years. Family tax benefit eligibility thresholds will remain at their current levels for three years. This is not the government that Australian people voted for. So I will be fighting for these families in Scullin and right across the country, fighting for a fair go.

Labor believes in an Australia that includes everyone, helps everyone, lets everyone be their best and leaves no-one to fall behind. This is the Australia that Tony Abbott has forgotten, and this is the Australia that Labor will always fight for.
Mitchell Electorate: Queen's Birthday Honours

Mr HAWKE (Mitchell) (13:34): I rise to acknowledge the special contribution of the members of my community who have been recognised in the 2014 Queen's Birthday honours. Within Mitchell, we are particularly blessed to have people of the calibre who have received honours in this year's awards, including Professor Carolyn McGregor AM, for significant service to science and innovation through healthcare information systems. It was a pleasure to hear from her very proud parents straight after the announcement. Professor McGregor attended Baulkham Hills North Public School and Muirfield High School and currently lives in Canada. She is a leading expert in health informatics, pioneering a computer program that monitors the health of patients. It is currently being adapted to monitor the vital signs of astronauts during NASA's planned manned mission to Mars in 2030.

Conjoint Professor Greg Leigh AO received his award for distinguished service to the deaf and hard of hearing. Of course, we have the RIDBC in my electorate.

Many people will know Ray Warren as a famous rugby league commentator. He received an OAM for services to sport, but there is also his great charity work. I have spent most of my life listening to Ray Warren, as I think many people here in this chamber and in the community have. We probably owe him a great debt for his great service to sport and charity.

Also receiving awards were John Trlin OAM, for service to the community through driver awareness education programs; Carmel Moriarty OAM, for nursing, particularly in the field of cystic fibrosis; Don Roberts OAM, for service to the sport of rowing; Lynton Bradford OAM, for service to the community of Castle Hill, particularly in the area of seniors' computing; Larry Bolitho OAM, for service to local government and to the community, an award his family most appreciates; and Robert Ryan OAM, a Medal of the Order of Australia in the General Division, for services to the wool industry.

I congratulate them all. They are fantastic Australians.

Medicare

Mr THISTLETHWAITE (Kingsford Smith) (13:36): I wish to thank and congratulate members of our community of Kingsford Smith who joined doctors, nurses, patients and health workers at the Prince of Wales Hospital last Saturday to protest against the Abbott government's introduction of a Medicare co-payment. The Deputy Leader of the Opposition, Tanya Plibersek, addressed hundreds who attended the rally. They were clearly concerned about the dismantling of universal health care in our community, the unfair nature of the co-payment and the additional pressure that it will put on the cost of living, particularly for pensioners and those on fixed incomes in our community, and of course on the emergency department at the Prince of Wales Hospital.

Kerry Hayes, a local nurse, spoke of the fact that nurses at the Prince of Wales Hospital are currently stretched to the limit. Despite population increases in our area, 30 beds have been closed over the last two years and nurses are leaving and not being replaced. The co-payment will put additional pressure on the emergency department by deterring people from visiting their doctor when they should. The crowd also heard from Gerard Hayes from HSU. Members of our community are clear in their message to the Abbott government. They are saying they expect better health services, that is why they pay taxes. They do not want the dismantling of
Medicare. The clear message to the Abbott government from the community of Kingsford Smith is: hands off Medicare.

Lyons Electorate: Barrington General Store

Mr HUTCHINSON (Lyons) (13:37): I would like to take this opportunity to congratulate small business owners Penny Lane and her partner, Dale, for their service over 11 years to their local community. Barrington is a small town in the north-west of Tasmania in my electorate of Lyons. Kentish Councillor and Barrington General Store proprietor Penny Lane has advised her community that she will close the store at the end of this month. The Barrington store has been an important part of the community since 1880. It is the community meeting place. The decision to close it was clearly a difficult one. For a small-business operator in an isolated country town, it became increasingly challenging to compete with the major supermarkets on the price of general goods and petrol.

The community this weekend have an opportunity to thank Penny for her contributions, enjoy the sausage sizzle and recognise the significant part many storekeepers have played within this community since 1880. I quote Penny from the Kentish Voice:

... so, please if you can—whenever you can, always try to support your local businesses.
Walk through a shop door, call to get a quote, hire something from the guy just down the road, use local petrol stations, buy local hardware, and enjoy local food and beverage.
You might change someone's day even by buying a stick of gum and smiling at a shopkeeper that's having a tough day, and turn everything around. I know, it happened to me.
Thank you everyone—Barrington is the best part of our lives, let's see what the next door opens.
Thank you, Deputy Speaker.

Budget

Mr FITZGIBBON (Hunter) (13:39): I am very happy to be following the member for Lyons. He has something in common with the member for Braddon, the member for Page, the member for Eden-Monaro and the member for Capricornia. They all represent some of the lowest-income families in this country. Indeed, 24 of the 25 poorest electorates in this country can be found in rural and regional Australia. That is the great tragedy of this budget. It is the great tragedy of the cuts to family tax benefit B. It is the great tragedy of the cut in the low-income super contribution. It is the great tragedy of the increases in petrol prices.

Mr Hutchinson interjecting—
Mr Whiteley interjecting—

The DEPUTY SPEAKER (Hon. BC Scott): Order! You were listened to in silence.

Mr FITZGIBBON: This is a government that does not understand rural and regional Australia. It does not quite grasp the disproportionate adverse impacts of this budget on rural and regional Australia. Sadly—I say as the member for Lyons leaves the chamber—it has representatives from rural and regional Australia who are not sticking up—

Mr Nikolic interjecting—

Mr FITZGIBBON: I am glad the member for Bass came in because he is amongst them. They are not standing up and protecting their local constituents, the families in their communities. It is about time they gave them a voice. It is about time they stood up to the
Prime Minister and made it clear to him that they will no longer sit back and take the pain being imposed on their constituents in rural and regional Australia.

**Boat Harbour Polar Bear Swim**

Mr WHITELEY (Braddon) (13:40): Taking a dip in the ocean early on a winter's morning might not seem like a great idea to some, especially in Tasmania. But last Sunday more than 50 daredevils braved the icy waters to participate in the Boat Harbour Beach Surf Life Saving Club's annual Polar Bear Swim. Boat Harbour is a small but seaside community in my electorate. The Boat Harbour lifesaving club holds an important place in our community. Nationally, volunteer lifesavers have saved more than 600,000 lives since 1907.

Now in its sixth year, the Polar Bear Swim is conducted annually on the winter solstice and, thankfully, the temperature this year was a balmy 15 degrees. Anyone brave enough can enter. There is only one rule: no wetsuits. Most opt for a costume with as many layers as possible. This year there were cowboys, businessmen, ghosts—you name it. Participants have the option to take a 50-metre swim or wade in shallow water.

I am yet to decide what option I will take next year, but I am looking for suggestions on costume ideas. Maybe the Prime Minister can lend me a pair of red togs! That last sentence was in fact cheekily inserted into my speech by my staffer Stephanie, in Burnie. She thought I wouldn't spot it, so I hope she enjoys her very long vacation!

This event is not just about finding out who is brave enough to enter the icy waters. It is a very important event on the calendar. Well done to the Boat Harbour Beach Surf Life Saving Club. *(Time expired)*

**Budget**

Ms BRODTMANN (Canberra) (13:42): Canberrans are still furious about the Abbott government's budget. Why are they still furious? Because, as one constituent said at my mobile office on the weekend, 'This budget is bad for all of us.' But it is especially bad for those who can least afford it: low- and middle-income families, single income families, single parents. Let's recall what this budget means for these families. Family tax benefit payments will not be indexed for another two years; family tax benefit eligibility thresholds will remain at their current levels for three years; the family tax benefit clean energy supplement will remain at current levels permanently; family tax benefit B payments will now only be paid until the youngest child turns six; the family tax benefit means test will be tightened from $150,000 to $100,000 a year for the primary earner; the family tax benefit A and B supplements will be reset at $600, down from $726, and $300, down from $354, respectively; the large family supplement will now be paid only for fourth and subsequent children, not for the third and subsequent children as is currently the case; and, of course, families are also having to deal with the GP co-payment, higher costs of prescriptions and the increased petrol tax.

All of this is from a government that promised again and again that it would bring down the cost of living for families. In reality, it has done the opposite. This budget is bad for Canberra families, it is bad for Australian families. The government is bad for all families across the nation. *(Time expired)*
HOUSE OF REPRESENTATIVES    Thursday, 26 June 2014

Woy Woy Oval

Mrs WICKS (Robertson) (13:43): I rise to commend the New South Wales state government's announcement this morning of a $2 million grant towards the upgrade of Woy Woy Oval, adding to the $3½ million already committed by the federal coalition government as part of our growth plan for the Central Coast. The upgrade of Woy Woy Oval will provide modern facilities for players, match officials and spectators, including a 600-seat grandstand, clubhouse and recreation facilities for the local community. It is an important investment in community and sporting infrastructure on the Central Coast. It will be a civic centrepiece for our region and is expected to drive a 50 per cent increase in the informal use of the precinct. I look forward to continuing to work closely with the New South Wales state government, Gosford City Council and our hardworking stakeholders and local sporting groups to see this project delivered.

A few months ago, members of the Central Coast Rugby League and Rugby Union, as well as members of the business community, met with me on Woy Woy Oval to hear about the federal coalition government's commitment of $3.5 million for this upgrade. This morning's announcement by the New South Wales government is an indication of just how significant a project this is for our area. It is part of our growth plan, which also includes 600 new Commonwealth jobs for Gosford in a purpose-built building. We are delivering on our growth plan for the Central Coast and building the infrastructure that the people of the Central Coast have asked us to deliver.

Carbon Pricing

Ms BURKE (Chisholm) (13:45): The coalition government is telling the Australian people to 'tighten their belts'. Its first budget has slashed funds from every department and program imaginable, yet this same government is planning to throw billions of dollars down the drain to fund their ineffective Direct Action Plan. The world needs real action on climate change, not ineffective policies thrown around in an attempt to appease voters.

Labor's carbon pricing system has been effective both environmentally and economically. Since its introduction on 1 July 2012, Labor's carbon price has reduced the emissions from our electricity sector by around 7.6 per cent, while the economy has continued to grow and Australia has retained its AAA credit rating.

Officials from around the world are now urging the Prime Minister not to make Australia the first country to go backwards on climate change, but the Prime Minister is steaming ahead in his crusade to dismantle the only real action on climate change Australia has ever had, despite being ridiculed all around the world for it.

Recently in the United States President Obama announced his radical new plan to bring about emission reductions in the US. Unsurprisingly, he will not be paying polluters, as this government proposes to do, but instead will be creating a system similar to an emissions trading scheme. This issue is gaining momentum and the Prime Minister is going to be left behind if he does not accept the reality of our situation soon and develop some real policies, to deal with this very real issue.

And so wrote Tory Townsend, who has been doing work experience in my office this week. This issue impacts him greatly.
Queen's Birthday Honours

Ms O'DWYER (Higgins) (13:46): Albert Einstein stated that, 'Only a life lived for others is a life worthwhile.' Every year on the Queen's Birthday holiday, we as a nation get the opportunity to honour and acknowledge those who give their time to others within our community. All of the recipients of Queen's Birthday honours this year have made a significant contribution to our nation and each and every one of them deserves our utmost gratitude and respect. These awards are a measure of thanks from the Australian community and all those who have benefited from their service.

Today, I would particularly like to congratulate the people in my electorate of Higgins who have received some of the nation's highest honours: Professor Edwina Cornish, AO; Ms Judith Durham OAM, AO; Dr Alan Finkel, AO, AM; Emeritus Professor Philip Lake, AO; Mr Bruce Woodley, AO; Mr Richard Carter, AM; Dr Felicity Hawker, AM; Mr John Kirby, AM; Emeritus Professor Alan Lindsay, AM; Professor Jeffrey Szer, AM; Mr John Dillon, AM; Mr Kenneth Gilfillan, AM; Mr Angus Graham, AM; Mrs Gweneth Koczkar, AM; the late Mr Keith McGowan, AM; Mr James Marett, AM; Mr Geoffrey Pizzey, AM; Mr Richard Richards, AM; Mrs Pamela Warrender, AM; and, Mr John Bryan Westacott, AM. These individuals have made a significant impact in a wide range of areas from scientific research to higher education, to the arts and to sport. I pay tribute to their service and their accomplishments, and thank them for their sacrifice and perseverance.

Not everyone who works in our community gets recognised in the Queen's Birthday honours list. I would like to take the opportunity to thank all of those people who sacrifice their time for others.

Budget

Mr ZAPPIA (Makin) (13:48): Last week, the Rural Doctors Association of Australia issued a press release warning of the terrible impact a $7 co-payment will have on rural communities. RDAA President, Dr Ian Kamerman, said:

The $7 co-payment in its entirety needs urgent reconsideration, but trying to charge it to the rural terminally ill, aged-care patients, Indigenous patients and other high-need and disadvantaged patient groups, and for the child consults is a step too far.

Does the government really expect rural GPs to charge these patients the $7 co-payment before they will provide treatment … or does it instead anticipate that most doctors will simply cop the cost as yet another impost on general practice?

… … …

Requiring the $7 co-payment for aged-care or palliative care visits is not only insensitive, but poor public policy and a false economy.

Why doesn't the Abbott government take the concerns of rural people seriously? Why will the government not listen to the people who know best about the impacts of a $7 GP co-payment on families and drop this mean tax on families around Australia?

Carbon Pricing

Mr CRAIG KELLY (Hughes) (13:49): As someone who spent a lot of time working in the USA before I came to this place, I would like to offer a very warm welcome to former US Vice President Mr Gore on his visit to Canberra yesterday during his current trip to Australia. I also note that his visit coincided with an icy cold and chilly snap in Canberra. Even though
we had the Weather Bureau predicting a warm and dry winter for Canberra, earlier this week we saw temperatures drop to minus 6.8 degrees. We have also seen a massive dump of snow, which I am sure will see our ski fields packed this weekend.

Secondly, I would like to congratulate the former Vice President for standing next to the leader of PUP when a very important statement was made because yesterday he confirmed that the final nail in the coffin of the carbon tax would be driven in when the new Senate sits. It was great to see the former Vice President of the USA describe that announcement as 'and outstanding statement'. My constituents are really looking forward to electricity prices falling. They are looking forward to receiving that $550 per average family with the cut in the carbon tax. We hope the carbon tax is dead and buried. Before the next election I hope all members of the opposition will put their hands on their hearts, will look at the camera and will swear, 'There'll be no reintroduction of a carbon tax under a government I lead'!

Budget

Ms RYAN (Lalor—Opposition Whip) (13:51): I rise today in what I have recently termed 'the chamber of ironies'. Today we have been debating a piece of legislation that would see us take money from families through the schoolkids bonus and low-income support concessions to give money to millionaires. The legislation which has been before us is outrageous. I have been inundated with emails from local constituents about the low-income superannuation concession. To read from one of those:

The LISC provides more than 3.6 million working Australians earning less than $37,000 per annum with a rebate of the tax paid on their superannuation contributions. This is worth up to $500 which is paid into their superannuation accounts. If the LISC is withdrawn, these workers will receive no tax breaks on their contributions. They will be the only group of working Australians not to receive a tax break on their superannuation contributions. In fact, under the changes proposed, these workers will pay more tax on their superannuation contributions than if the money were part of their take-home pay. It is surely unfair that while the highest paid workers receive a tax concession of 30 per cent, the lowest paid would be penalised for saving for their retirement. On behalf of the 3.6 million Australians who will be affected, I ask you sincerely to block this law.

Hasta Gurung—

from my electorate.

Lyne Electorate: War Memorials

Dr GILLESPIE (Lyne) (13:52): I met both the president of Laurieton RSL subbranch, Mike McClelland, and his treasurer, Syd Farrow, to see the plans for two new memorials to be built at Laurieton Memorial Park in my electorate. During my visit to the park, I was able to announce a local grant of $4,000 to assist in the construction of a new navy memorial and a new air force memorial to help commemorate the proud history of the local veterans from the Camden Haven community. May I take this opportunity to congratulate the Laurieton RSL subbranch on its efforts to recognise the invaluable contribution of our local service men and women, past and present, and to ensure that the next generation, particularly our young people, continue to have an appreciation and understanding of their service and sacrifice.

This local project in the Camden Haven is one of 81 projects across the country to receive funding under the latest round of Saluting Their Service grants. Over $187,000 was allocated to community and ex-service organisations across the country. I am delighted that Laurieton was successful in the latest funding round. I would also like to take this opportunity to thank
the Minister for Veterans' Affairs, Senator Michael Ronaldson, on his support of the Laurieton project.

As members would be aware, the Saluting Their Service grants program helps communities across Australia contribute to the commemoration of those who have served, and continue to serve, our nation. It is a small but worthwhile program, and we should continue to support it.

**St Joseph's Primary School: Visit to Parliament House**

Ms McGOWAN (Indi) (13:54): I would like to say a special hello to St Joseph's Primary School from the beautiful town of Benalla. I was so pleased to meet with you when you were in Parliament House this week. I would like to acknowledge and thank your teachers for the fantastic job they do, and all the parents and friends who came with you to make the trip possible. But, most of all, I would like to say congratulations to the students. These were outstanding students. They asked the best questions. They really drilled in to how parliament works and, particularly, how question time goes. They are excellent examples of what the future of Australia holds.

I would like to say to them: stay tuned to parliament; keep watching it. It is really important that you understand how your democracy works and it is really important that you understand who your local member for parliament is. And you can keep asking me questions. I am looking forward to coming to your school in the really near future and seeing how your classrooms went. I particularly want to say that I loved that Chook Rocket. I want to give particular congratulations to the community garden and all the wonderful work you are doing there.

**Durack Electorate: Schools**

Ms PRICE (Durack) (13:55): Two schools from Durack visited Parliament House this week to participate in the parliamentary education program. Students from the Kimberley and the Port Hedland Schools of the Air got a wonderful taste of Australia's parliamentary process—and I will just give them a wave now. Hi, kids. There are five Schools of the Air in Western Australia, of which four are in Durack. They are based in Derby, Port Hedland, Carnarvon and Geraldton. Each has around 10 staff members and between 30 and 50 students—all up, just under 200. Most schools have been operating for many years. In fact, Port Hedland turns 50 this year. These unique schools provide distance education to students who are geographically isolated or who cannot attend mainstream schools. They may live on a station, in a roadhouse or perhaps in an Aboriginal community. Teachers support home tutors—who are often the parents—and students via email, phone, web conferencing and home visits. They do whatever it takes to give these children an education. Daily online lessons and regular camps enable students to interact with their peers and have face-to-face sessions with teachers.

I enjoyed speaking with the students and teachers this week and applaud the principals, Gregory Yeo of the Kimberley and Michael Jennings of Port Hedland, who have invited me to present students their certificates during a lesson over the air to commemorate their visit to Parliament House. Be assured that provision of sustainable and quality education for our people in the bush, no matter where they live, is a top priority of mine.
Batman Electorate: Brizzi, Mr Cosimo

Mr FEENEY (Batman) (13:57): Earlier this month, hundreds of community members turned out to attend the memorial service of Mr Cosimo Brizzi, fondly known as 'Cos'. For more than four decades, Cos and his younger brother Ben trained generations of Darebin locals in the art of boxing, including International Boxing Federation champion, Ms Susie Ramadan. Starting out in a small tin shed behind the family home, by the late 1980s their group of students had grown too large and the Preston council helped them move to a decommissioned swimming complex in Kingsbury, which became the Brizzi Brothers Boxing Gym.

Cos was known for his enthusiasm and commitment to the young people of Preston and Reservoir, helping them to develop their boxing skills and their self-confidence. After months of illness, Cos died of a stroke on 29 May. I was honoured to have known Cos as a much admired and dedicated member of our community. Our thoughts go out to his family, friends and the wider boxing community in this difficult time. He will be sadly missed.

Bass Electorate: Winter Relief Appeal

Mr NIKOLIC (Bass) (13:58): In recent weeks, service clubs in my electorate of Bass have donated generously to The Examiner Winter Relief Appeal. The Rotary Club of central Launceston donated $3,000 and the Lions Club of Kings Meadows donated $5,000. The Launceston Examiner is one of Australia's oldest newspapers, and is a multi-award winning newspaper. It has been running public fundraising appeals since 1908, when it started its annual Empty Stocking Appeal. The newspaper covers all of the administrative costs of the appeal and distributes all of the funds to four local charities—Launceston City Mission, St Vincent de Paul, the Benevolent Society and the Salvation Army.

Donations come from every section of the community—from schoolchildren, service clubs, sporting clubs and small business to major corporations. And there is the occasional anonymous philanthropist, as well. The money raised helps people who struggle to make ends meet at a time of the year when they face extra expenses in heating, clothing and bedding. Public donations to this appeal total around $50,000 each year. On today's values, it has raised more than $2 million since its inception.

For a community that has weathered its fair share of financial hardship over the years, the response to this appeal is simply remarkable. It is evidence of a generous and compassionate community. I applaud editor Martin Gilmour and his staff at The Examiner for running this appeal. I congratulate the people of northern Tasmania for their strong and continuing support of it.

The SPEAKER: It being virtually 2 pm, in accordance with standing order 43 the time for members' statements has concluded.

MINISTERIAL ARRANGEMENTS

Mr ABBOTT (Warringah—Prime Minister) (13:59): I inform the House that the Minister for Industry will be absent from question time today. He is on his way to China for the APEC mining ministers meeting. The Deputy Prime Minister will answer questions on his behalf.
QUESTIONS WITHOUT NOTICE

Budget

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:00): My question is to the Prime Minister. This Prime Minister promised Australia an adult government of no surprises and no excuses. So why has the Prime Minister delivered one of the most deceptive, unfair and chaotic budgets in Australian history?

The SPEAKER: I would say that is a question that is really a series of statements, but should the Prime Minister wished to respond I will let it stand.

Mr ABBOTT (Warringah—Prime Minister) (14:00): This government is determined to fix Labor's debt and deficit disaster, and that is exactly what this budget does. It tackles Labor's debt and deficit disaster; it tackles the fact that Labor had left us with a legacy of $123 billion in cumulative budget deficits and $667 billion in projected debt. Members opposite once thought that a surplus was important. For instance, the Leader of the Opposition said back in 2012:

This month's budget delivers a $1.5 billion surplus.

It didn't, but he went on to say:

Achieving it has meant making some tough calls. A big win in the 2012 budget is the surplus.

He went on to say:

The budget surplus proves beyond doubt that we can afford to be positive.

Well, he might have been positive back in 2012. We have seen precious little positivity from the Leader of the Opposition since the election last year. But he should be positive about this budget because this budget cures the debt and deficit disaster that Labor created. The best thing that members opposite could do with this budget is to say, 'It is the tough medicine we just had to have,' and then our country would go forward on a secure fiscal footing.

Carbon Pricing

Mr NIKOLIC (Bass) (14:02): My question is to the Prime Minister. Will the Prime Minister update the House on the government's plans to reduce power prices? What stands in the way of lower power prices for Australian families?

Mr ABBOTT (Warringah—Prime Minister) (14:03): I do thank the member for Bass for his question and I can assure him that what is standing in the way of lower power prices for Australians is the carbon tax. That is what is standing in the way of lower power prices for Australians and for Tasmanians. The only person standing in the way of the repeal of the carbon tax is the Leader of the Opposition sitting opposite me today. The only person who is standing in the way of the repeal of the carbon tax is the Leader of the Opposition. He said he wanted to terminate the carbon tax pre-election, but now he wants to perpetuate it, because he just doesn't get it. He doesn't get the fact that the carbon tax is an impost of nine per cent on every Australian's power bill; he doesn't get it that the carbon tax adds $9 billion a year to the cost in our economy; and he just doesn't grasp the fact that the carbon tax is a $550 a year hit on the average household's costs.

It must go and I am confident that the carbon tax will go when the legislation goes before the Senate in the next fortnight. I do welcome the statement of the member for Fairfax that he and his senators will support the government's legislation to repeal the carbon tax. The
member for Fairfax is absolutely right: abolishing the carbon tax will make our industries more competitive and it will make our people's lives more manageable. I do look forward to working with the member for Fairfax and crossbench senators to ensure that all the savings from the abolition of the carbon tax are passed on to consumers.

Who is left supporting the carbon tax? Only the Leader of the Opposition, who is in denial about the election result. He's got Senator Hanson-Young dictating his border protection policy; he's got Senator Christine Milne dictating his carbon tax policy. Every time your power bill goes up, there is the Leader of the Opposition with a smile on his face, because that is his carbon tax doing its job. Every time you turn on your heater, there is the Leader of the Opposition making it more expensive. This government will deliver on its commitment to abolish the carbon tax, and I am delighted the crossbench senators will deliver on their commitment to abolish this toxic tax once and for all.

The SPEAKER: Before I call the honourable member for Charlton, the Leader of the House has indicated to me that members who are sitting towards the back of the government side of the House are finding it very hard to hear from the government's microphone. Could I ask that those microphones be checked in the sound system, please.

Commonwealth Scientific and Industrial Research Organisation

Mr CONROY (Charlton) (14:06): My question is to the Prime Minister. Today is the national day of protest for the CSIRO against the Prime Minister's cuts and broken promises. The Prime Minister is cutting one in 10 jobs at CSIRO and slashing $111 million from its budget, including cuts to climate research. Why does the Prime Minister believe science is 'absolute crap'?

The SPEAKER: The Prime Minister has the call but will disregard the last word of the last question.

Mr ABBOTT (Warringah—Prime Minister) (14:07): I did listen to the member's question and it does contain a statement, which is simply untrue, and I challenge the member who asked the question to authenticate the statement that he claims I made.

Mr Burke interjecting—

The SPEAKER: The member will resume his seat. I am not interested in hearing arguments. The member has asked his question. He will resume his seat and listen in silence. This is the time for question time, not argument.

Mr ABBOTT: The statement that the member included in his question is simply untrue. The version that the member used in his question is simply wrong.

Mr Champion interjecting—

Mr Husic interjecting—

The SPEAKER: The member for Wakefield is warned and the member for Chifley is also warned. The Prime Minister has the call.

Mr ABBOTT: There are some savings that this government is seeking to make in respect of the CSIRO, but the former government certainly cut the CSIRO in its time. My understanding is that any job losses at the CSIRO up until now result not from decisions of this government but from decisions of the previous government—yet again, mendacity and hypocrisy from members opposite.
Carbon Pricing

Ms SCOTT (Lindsay) (14:09): My question is to the Minister for the Environment: I refer to the statement from AGL confirming that, if the carbon tax is repealed, price reductions will flow through to residential and small business customers. What is standing in the way of repealing a carbon tax that does not help the environment and that will ease the cost-of-living pressures on businesses and families in my electorate of Lindsay?

The SPEAKER: Before I call the honourable Minister for the Environment, there will be silence on my left. It was almost impossible to hear the question. One more utterance, and the next person will leave the chamber under 94(a).

Mr HUNT (Flinders—Minister for the Environment) (14:09): Thank you to the member for Lindsay for her question. I believe that this is the 29th question on the environment from this side of chamber but, after 9½ months, more than 410 questions—

Mr Husic interjecting—

The SPEAKER:—

Mr Husic interjecting—

The member for Chifley will leave under 94(a).

Mr Dreyfus: Madam Speaker, on a point of order: this is just the minister hurling abuse and nothing he has said is relevant to the—

The SPEAKER: The member will resume his seat. There is no point of order and that is an abuse of the points of order. As well, he should know.

Mr HUNT: From the member who called Canada a pariah, that is a great comment—a real triumph of diplomacy, that one. Let me make these points: as the member for Lindsay says, her electorate is suffering more from higher electricity and gas prices than they need to. But on Monday of this week, AGL, which services numerous customers in her electorate, made the following statement:

... price reductions will flow through to residential and small business customers, if the carbon repeal legislation is passed by the Federal Parliament.

A very interesting thing happened just an hour and a half ago: in the Senate, the Labor Party voted to try to put back the repeal date for the carbon legislation; they voted to try to put back the consideration of the carbon legislation. There will be a new Senate soon and, when that happens, they will consider it—

Mr Shorten: Who told you?

Mr HUNT: No-one told you, Buster. When that happens, they will consider it at the earliest possible time. Do you know what happens? AGL has said that they will reduce—

Opposition members interjecting—

The SPEAKER: I know it is Thursday of the second week of sitting. I know there are many people who do not want to stay late tonight and seem to want an early mark. We can assist them leave.
Mr HUNT: Origin will reduce prices. Alinta will reduce prices. Energy Australia will reduce prices, and in Queensland, New South Wales, the ACT—

Mr Perrett interjecting—

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

The member for Moreton then left the chamber.

Mr HUNT: the regulators have all said that they will reduce prices. More than that, the ACCC will be on the job, but we are happy to take the considerations of members of this House and to go even further to enshrine in legislation guarantees over and above what we already have so prices will be lower than they would otherwise have been. Electricity and gas costs will be down, and the people who are standing directly in the way ought to realise that change is coming, and that change will mean lower electricity and gas prices.

Higher Education

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:13): My question is to the Prime Minister: new modelling shows that the cost of science degrees will triple to $123,000, because of the government's broken promise on university fees. Why does this Prime Minister have such contempt for science and Australia's future scientists?

Mr ABBOTT (Warringah—Prime Minister) (14:14): The Leader of the Opposition should have more faith in the universities of Australia. The universities of our country are determined to do the right thing by their students and by their potential students. They are also determined to do the right thing by learning—they are the custodians of our best traditions. They are the custodians of our higher learning, and the last thing that they want is to price degrees out of the reach of the Australian people.

I am very confident that under a less regulated university system we will have better degrees and we will have even more access to higher education than we do now, particularly with this government's changes that will extend the FEE-HELP system to subdegree courses. For the first time, we will extend FEE-HELP to subdegree courses. For the first time, we will extend FEE-HELP to a much wider range of institutions. It is going to be good for universities but, above all else, it is going to be good for students.

Mr Shorten: I seek to table the NATSEM research which shows that the fees are going up for a science degree to $123,000.

Leave not granted.

Carbon Pricing

Mr BANDT (Melbourne) (14:15): My question is to the Prime Minister. As things now stand, there will soon be no direct action sham, no carbon price and no emissions trading scheme. As most of the new senators now support at least the principle of an ETS, will you now agree to an ETS as well or will you continue to fail to protect the Australian people and leave the country without an economy-wide plan to tackle climate change?

Mr ABBOTT (Warringah—Prime Minister) (14:16): I want to make the point in response to the member who asked the question that there is no country in the world, according to the Productivity Commission, that has an economy-wide carbon tax or indeed an economy-wide emissions trading scheme. For instance, the European ETS covers just 45 per cent of total emissions at about $8 a tonne; California's ETS covers about 35 per cent of total emissions at
about $12 a tonne; New Zealand's ETS covers 50 per cent of total emissions at about $4.60 per tonne; and the Chinese ETS, or the proposed pilot in Beijing, covers 40 per cent of total emissions. And I am advised that 99.9 per cent of permits have been provided to industry for free.

When it comes to carbon taxes and emissions trading schemes, the world is going against the Greens' view. The problem that the Greens have, apart from the fact that they are being echoed by the Leader of the Opposition, and the problem the Labor Party have is that, as far as they are concerned, Copenhagen never happened. That is the thing: they have not woken up to the fact that everything with respect to climate change changed at Copenhagen. What we are doing is proposing——

**Mr Dreyfus:** What are you doing?

**The SPEAKER:** The member for Isaacs is warned.

**Mr ABBOTT:** What we are doing is proposing direct action. The interesting thing is that the countries that talk most loudly about tackling climate change and the countries that we are happy to work with when it comes to tackling climate change are countries that are putting direct action measures into place, such as President Obama's direction action measure to limit power station emissions.

**Carbon Pricing**

**Mr HUTCHINSON** (Lyons) (14:18): My question is to the Minister for Health. Could the minister please explain how abolishing the carbon tax will help bring down costs in the health sector?

**Mr DUTTON** (Dickson—Minister for Health and Minister for Sport) (14:18): We know that the Labor Party is not too good with numbers but they surely realised when they imposed the only economy-wide carbon tax in the world that it would apply to health services. Surely they realised that the hospitals, the pharmacists, the dental practices, GP practices around the country——

**Ms King:** You are cutting $50 billion out of hospitals.

**The SPEAKER:** The member for Ballarat will desist.

**Mr DUTTON:** every time they use energy. It is a cost that they cannot absorb, that they must pass on to consumers. What does it mean? It means that they are taking away the capacity to put more into frontline services. We know that Treasury analysis in New South Wales says that Labor's carbon tax would impose $26.5 million on to the New South Wales health system.

*Ms Collins interjecting—*

**The SPEAKER:** The member for Franklin will desist.

*Ms Plibersek interjecting—*

**The SPEAKER:** And the member for Sydney will desist.

**Mr DUTTON:** The amazing thing is that Labor just does not get it. Even today, they do not realise that hospitals in other countries do not face this carbon tax. This carbon tax takes the capacity away to deliver more surgery.

*Mr Conroy interjecting—*
The SPEAKER: The member for Charlton will remove himself under standing order 94(a).

The member for Charlton then left the chamber.

Mr DUTTON: It makes it harder for doctors to see those patients. It makes it harder for pharmacists to provide those services because they are paying the carbon tax implemented by the Labor Party every time they flick on the switch or pay for goods that are coming into their practice.

Ms Collins interjecting—

The SPEAKER: The member for Franklin is warned.

Mr DUTTON: We know that analysis in Victoria shows that each and every year the carbon tax will cost $13.5 million as it applies to electricity and gas—

Ms Collins interjecting—

The SPEAKER: I remind the member for Franklin she is warned. One more from her and she will leave.

Mr DUTTON: in their hospitals and across their health system and it grows each and every year.

It made me think about the scene from Yes Minister where they talk about the hospital being perfect except for the fact that it has got patients in it. The problem is that our hospitals do have patients in them. And we need to keep the lights on, we need to make sure that the operating theatres continue and we need to make sure that the intensive care units keep operating.

Mr Burke interjecting—

The SPEAKER: The member for Watson will desist.

Mr DUTTON: We cannot turn off the power. I am not sure if this is some sort of revelation to the Labor Party but we cannot turn the power off. They have to pay the carbon tax. Every time they use gas or electricity in these public hospitals, they are paying the carbon tax.

My advice to Labor premiers and to the Territory chief ministers is that they get on the phone to this Leader of the Opposition because Bill Shorten is the only person who is standing in the way of the abolition of the carbon tax. And the Leader of the Opposition needs to get out of the way and get this carbon tax off the back of all Australians.

Budget

Ms KING (Ballarat) (14:21): My question is to the Prime Minister. Yesterday we learned that the Prime Minister told the Australian Medical Association that he was willing to look at alternative models for his unfair GP tax. If the Prime Minister is preparing to cave on the GP tax, why won't he just cave-in on his entire budget of broken promises?

The SPEAKER: Again we have a curious question which is really a series of statements without much focus, shall we say; but, if the Prime Minister wishes to answer, I will let the question stand.

Mr ABBOTT (Warringah—Prime Minister) (14:22): This government is determined to ensure that there is a modest copayment for GP services. Just as members opposite support a
modest copayment for the Pharmaceutical Benefits Scheme, this government supports a modest copayment for Medicare. There was a time when members opposite thought that a modest copayment for Medicare made sense. Prime Minister Bob Hawke supported a copayment. The member for Jagajaga supported a copayment. The shadow assistant Treasurer—

Mr Burke: Madam Speaker, I rise on a point of order. There is a challenge under the ruling that you had previously given and which we have all been abiding by on the way you were going to interpret standing order 68. We have respected that you have requested that objections only be made by the person who gave the personal explanation. The Prime Minister is now giving misrepresentations about a member who is not even here today—for significant reasons—and I simply ask you in those circumstances to intervene.

The SPEAKER: You have asked me to intervene in a way which is opposed to my original ruling. I am not of a mind to do that, but I will suggest that, when members or ministers generally are speaking about the matter concerning the member for Jagajaga, if they say that she was chair of a committee which found as follows then it is in order; but, if they say she held a particular point of view at a particular time, that is a different matter. So I invite the Prime Minister to resume his answer—

Mr ABBOTT: The last thing I want to do is to verbal the absent, so, to assist you, Madam Speaker, I withdraw. But the fact is—

Mr Dreyfus interjecting—

Mr ABBOTT: I have withdrawn.

The SPEAKER: The member for Isaacs has been warned, I would remind him. One more utterance and he will leave. The Prime Minister has the call.

Mr ABBOTT: Let me repeat for the benefit of members opposite. They support a modest copayment for the PBS. They did support a modest copayment for Medicare. The Labor shadow assistant Treasurer still supports a modest copayment for Medicare.

Ms King: Madam Speaker, I rise on a point of order on relevance. If you're going to axe the GP tax, why don't you axe—

The SPEAKER: The member for Ballarat will resume her seat. That is a deliberate flouting of the standing orders. It is not acceptable to simply go to the microphone and shout. The Prime Minister has the call.

Dr Leigh: Madam Speaker, I rise on a point of order, again on standing order 68. The Prime Minister is incorrect to say that I currently support the government's policy on this. I have changed my view as he has. My view now accords with—

Government members interjecting—

The SPEAKER: The member will resume his seat. There will be silence.

Honourable members interjecting—

The SPEAKER: There will be silence on both sides, and that includes the member for Ballarat. My original ruling stands. If people wish to refer to the member for Fraser's writing when he said such and such was true, that remains a fact, but if they try and impute a current belief to him which he refutes then standing order 68 will apply.
Mr ABBOTT: I am perfectly prepared to accept that the member for Fraser has been bullied into changing his mind.

Mr Shorten interjecting—

The SPEAKER: The Leader of the Opposition will desist.

Mr Burke interjecting—

The SPEAKER: No, I am not taking another point. The Prime Minister has the call.

Mr ABBOTT: If it is right and proper for members opposite—

Ms Owens interjecting—

The SPEAKER: The member for Parramatta is warned.

Mr ABBOTT: to support a modest copayment on the Pharmaceutical Benefits Scheme, how can it not be right and proper to support an equally modest copayment on Medicare?

I can tell you why the government has done a number of tough and difficult things in this budget. We have done tough and difficult things because we want to restore the budget to balance and eventually to surplus, and once upon a time even the member for Ballarat thought that was a good policy. She said two years ago:

The Government is delivering a surplus with targeted and responsible savings while protecting the frontline services Australians rely on and helping families with cost of living pressures.

We are doing exactly the same thing.

Infrastructure

Mr BROUGH (Fisher) (14:27): My question is to the Deputy Prime Minister. Deputy Prime Minister, could you outline how the budget will assist in building the roads of the 21st century, and how does investing in quality infrastructure create more jobs and grow the economy?

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:28): I thank the member for Fisher for his question. He recognises how important it is for the economy to have a solid investment program in productivity-enhancing infrastructure. He knows that by building quality infrastructure we can in fact deliver a stronger economy. But you cannot deliver more infrastructure expenditure unless you have the budget under control. It is therefore very important that we introduce the kinds of measures that will give us a sustainable budget so that expenditure on infrastructure can grow and expand.

One of the important things that are a part of this budget is, clearly, getting rid of the carbon tax. When you have not got a carbon tax, the cost of road building goes down and you are therefore able to achieve much more with your infrastructure expenditure than might otherwise be possible. Of course, the Labor Party is all over the place when it comes to carbon tax. We all remember the former Prime Minister who vowed, 'There will be no carbon tax under the government I lead.' What a difference there is from the Leader of the Opposition. His vow is, 'There will be a carbon tax under the opposition I lead,' and he will stay a Leader of the Opposition for a long, long time if he buries his head in the sand and does not realise the enormous damage the carbon tax is creating in our economy, the cost to our economy, the cost to jobs and the impact that has on our capacity to build infrastructure.
The honourable member for Fisher will certainly appreciate the extensive budget to provide for upgrading of our national road system. Like many others, I have been caught in the Sunday afternoon traffic jams between the Fisher electorate and Brisbane. Money needs to be spent on upgrading the Bruce Highway in that area. There is about $2 billion in our infrastructure program committed to improving the highway between the Sunshine Coast and the capital city.

We are getting on with the job of building the key infrastructure that our nation needs. And we are reversing the reductions in infrastructure expenditure which were a feature of the Labor Party's last years in office. Indeed, the Labor Party, in its last year in office, spent less money on infrastructure than the Howard government spent in its final year in office, six years earlier. We are reversing that decline in expenditure. We are getting on with the with job, building the infrastructure that our country needs to service a modern economy—an economy free of carbon tax—and getting on with building stronger job opportunities for all Australians.

**Budget**

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (14:31): My question is to the Prime Minister. No matter what chaotic deal the Prime Minister pieces together this week, isn't it true that Australian families will be $6,000 a year worse off because of the Prime Minister's broken promises on the GP tax, petrol tax and cost of living?

Mr ABBOTT (Warringah—Prime Minister) (14:31): No.

**Higher Education**

Ms O'DWYER (Higgins) (14:31): My question is to the Minister for Education.

Ms Plibersek interjecting—

The SPEAKER: The member for Sydney is warned.

Ms O'DWYER: How will the government's higher education reforms spread the opportunity for Australians to gain a higher education qualification, and how does this compare with other approaches?

Mr PYNE (Sturt—Leader of the House and Minister for Education) (14:32): I thank the member for Higgins for her question. I can tell her that because Labor, in government, did nothing about higher education in six years except cut $2.9 billion from the sector, Labor allowed our universities to be overtaken by our competitors, particularly in Asia.

This government has set on its course a decision to reform universities to give our higher education sector the opportunity to compete—to give them the freedom they need to have 80,000 more young Australians getting a higher education qualification, and also allowing the universities to set their own course into the future to achieve the excellence that they desire, and compete, particularly with our Asian competitors.

Labor's approach was to cut without reform. Our approach is to reform higher education because it is a $15 billion export industry for this country. The difference between the coalition and the Labor Party is in the matter of trust. We trust students to make intelligent choices when presented with the opportunity to do so. And we also trust universities to know what is in their best interests and to respond to those best interests.

I notice that the Leader of the Opposition starts to look a bit uncomfortable when I talk about trust, because he knows what day it is today. A lot of people might have forgotten what
day it is today, but I am happy to remind the Leader of the Opposition. I think he knows that it is the first anniversary of the Rudd counter-coup.

The Leader of the Opposition gets a bit sweaty in the palms when someone starts talking about trust, particularly on a day like today, because in the first coup he was a modern-day Tiberius on a telephone down at the Hong Hau. He was like Fu Manchu, sending instructions to the AWU members of the caucus, wanting everyone to see how much power he had. For the Rudd counter-coup he was cowering in his office hoping that nobody would find out that he was going to rat on the leader. Unfortunately, they found out, and I can say that everyone knows that this Leader of the Opposition—Back-stabber Bill, as he became known—cannot be trusted. His colleagues know it, the public know it—

Mr Brendan O'Connor: I rise on a point of order. How could this possibly be relevant to the matter before the House, which is higher education? This is not—

The SPEAKER: The member will resume his seat. The minister has completed his answer.

Carbon Pricing

Mr BURKE (Watson—Manager of Opposition Business) (14:35): My question is to the Prime Minister. In question time earlier today the Prime Minister told us how he was looking forward to working with the member for Fairfax. But before the election the Prime Minister said:

There will not be deals done with independents and minor parties under any political movement that I lead.

Prime Minister, how is that one working out for you?

Mr ABBOTT (Warringah—Prime Minister) (14:35): In case members opposite have missed it, the member for Fairfax has agreed to support the government's legislation to repeal the carbon tax. That is what he has done. He has agreed to support the government's legislation to repeal the carbon tax. When it comes to supporting government policy, I am very happy to work with people.

Broadband

WYATT ROY (Longman) (14:36): My question is to the Minister for Communications. Will the minister update the House on what the government is doing to accelerate the roll-out of the NBN? What does this mean for people living in my electorate of Longman?

Mr TURNBULL (Wentworth—Minister for Communications) (14:36): I thank the honourable member for his question and note his very keen interest in broadband and in ensuring that his constituents get very fast broadband sooner, cheaper and more affordably. I can announce today that the NBN Co has finalised commercial negotiations with Telstra for a considerably expanded program to plan, design and construct fibre-to-the-node high-speed broadband which will connect about 200,000 homes and businesses. This is an adrenaline shot for the NBN, and it will show the way to accelerating the rollout that had completely stalled under Labor.

The member for Blaxland is rarely seen in this chamber. As I said yesterday, he has only asked me one question, and it was about a boat. But he had this to say in an interview with a journalist from ZDNet: 'My main criticism of the NBN project is we haven't rolled it out fast
enough. We did it too slow in government.' Gee, you are game enough to take on Senator Conroy, but you are not game enough to ask me a question. He then said, 'This government is still rolling it out too slow.' What we have done with the NBN is we have tripled the number of premises that are connected to the fibre network.

Mr Albanese interjecting—

The SPEAKER: The member for Grayndler will desist!

Mr TURNBULL: The number of premises that have been passed with fibre has doubled since September 2013. This fibre-to-the-node rollout, may I add, is not being determined on any sort of electoral geography, as it was under the Labor Party. Twenty-eight per cent of the premises that will get this very fast broadband in the first part of the fibre-to-the-node rollout are underserved premises. That is nearly twice the national average. So we are, as I said, prioritising underserved premises.

This fibre-to-the-node rollout, this thousand-node rollout with Telstra, will grow and develop into the full large-scale rollout across the network. It includes the electorates of Shortland, Charlton, Dobell, Newcastle, Hinkler, Robertson, Wide Bay, Dickson and, of course, Longman. So honourable members can see that this covers electorates from both sides of the House and it is focused both on engineering practicality and, above all, on need. What we are showing with the restart of the NBN Co is that we are getting on with business. We are fixing this project and we are getting the job done.

Budget

Mr BOWEN (McMahon) (14:39): My question is to the Prime Minister. If the government gets its way, nearly 300,000 elderly Australians will today receive their last ever seniors supplement payment because of the Prime Minister's unfair budget cuts. Why is the Prime Minister cutting pensions and senior payments while paying billions of dollars to big polluters to pollute?

Mr ABBOTT (Warringah—Prime Minister) (14:40): At least some of the assertions in the shadow Treasurer's question are simply untrue. Pensions go up every six months every year. It is true that, along with other unaffordable, unsustainable periodic payments that were put in place by the former government, the seniors supplement will not be continued. We are doing this because it is important to tackle Labor's debt and deficit disaster.

Mr Champion: You are a liar, plain and simple!

The SPEAKER: Where did that comment come from?

An honourable member: Wakefield.

The SPEAKER: The member for Wakefield has already been warned. He will leave under 94(a).

The member for Wakefield then left the chamber.

Mr ABBOTT: It is important to tackle Labor's debt and deficit disaster, and the self-funded retirees of Australia—of all people—appreciate the need for prudence. They appreciate the need for frugal government. They appreciate the need for governments—no less than households, families and business—to live within our means. Members opposite are talking about unfairness in this budget. The ultimate unfairness is saddling our children and
our grandchildren with $25,000 worth of Commonwealth debt per man, woman and child. That is the ultimate un fairness and that is what this budget is designed to avoid.

There was a time when the shadow Treasurer thought that surpluses were important. He said, in 2012:

I think the surplus and our fiscal management has been important in putting downward pressure on interest rates. I think that's one of the great achievements of this government.

Only it was never achieved, because there was never a surplus. The member for Lilley stood up in this chamber in 2012 and said, 'The four surpluses I announce tonight'—and there were none. But, back then, when there was a skerrick of responsibility to the Labor Party and to members opposite, they appreciated that surpluses count. We know that surpluses count, and that is why we have delivered the budget that we have.

**Immigration Policy**

Dr HENDY (Eden-Monaro) (14:43): My question is to the Minister for Immigration and Border Protection. Will the minister update the House on the government's border protection measures, including the measures he has put in place to protect Australian jobs?

Mr MORRISON (Cook—Minister for Immigration and Border Protection) (14:43): I thank the member for Eden-Monaro for his question, because he understands the importance of a well-run migration program that is focused on skills to grow the Australian economy and to create jobs for Australians. What we need to do to ensure that this is true is to have integrity in the program. To have integrity in the program, it is not enough just to have laws; you have to be prepared to enforce those laws. The people of Australia know that, when it comes to enforcing our immigration laws and our laws on our border, this government has demonstrated that it has what it takes to enforce our laws on the borders. They know that we believe in an immigration program that has integrity and that we believe in borders having integrity.

The people smugglers know it too—not by what we have said but what we have done. Due to what we have done through Operation Sovereign Borders, it has been more than six months since there has been a successful people smuggling venture to this country. That speaks of the government's resolve to do what is necessary on our borders and to enforce our immigration laws to ensure there is integrity to protect this important program for our nation.

But stopping the boats is just the start for this government; we are just getting warmed up. When it comes to the threats that are on our border—and there are many—we will show the same resolve, application and leadership in dealing with the threat that terrorist fighters pose to this country and their attempts to radicalise people in our community who would cause a threat to this country. And they know that we will act on the integrity of our immigration program to deal with outlaw motorcycle gangs as well. This is the commitment of this government.

But we will also act to deal with the threat of those who would seek to rort our migration laws in the workplace. In the first nine months of our government there has been a one-third increase in the level of field inspections to find illegal workers in this country—a one-third increase on our watch. There has been a 20 per cent increase in the location of illegal workers under our enforcement measures and a 190 per cent increase when it comes to warnings. The member for Eden-Monaro and the member for Gilmore will know that recently, in Operation
Lever, from Ulladulla to Nowra and from Bega to Merimbula, there were 12 workers identified in cafes and other places as part of those programs.

Ms Rishworth: And you gave them a 457 visa!

The SPEAKER: The member for Kingston is warned.

Mr MORRISON: The member for Pearce will also know that in Project Tricord, at Carabooda, north of Perth, 122 illegal workers were identified in a partnership operation with the WA Police. We are going to be strong on our borders—whether it is on the borders themselves, in the workplace, fighting the gangs or stopping the terrorist fighters. *(Time expired)*

**Budget**

Ms BUTLER (Griffith) (14:46): My question is to the Prime Minister. Before the election, the Prime Minister said there would be no cuts to health. But the Prime Minister is cutting $390 million from public dental programs that Australians, including pensioners, rely on. No matter what deal the Prime Minister pieces together this week, why should Australians suffer for the Prime Minister's broken promises?

Mr ABBOTT (Warringah—Prime Minister) (14:47): Health spending goes up every year. And, just in case the member opposite is tempted to claim that there have been cuts to public hospitals, public hospital spending goes up nine per cent this year, nine per cent the year after, nine per cent the year after that and six per cent in the fourth year. And school funding goes up eight per cent this year, eight per cent next year, eight per cent the year after that and six per cent in the final year. There have been no cuts to health spending; health spending goes up every year.

Dr Chalmers interjecting—

The SPEAKER: The member for Rankin is warned.

Mr ABBOTT: Sure, there are some individual programs that have been adjusted, but our commitment not to cut health spending has been absolutely and utterly delivered upon.

**National Security**

Mr TEHAN (Wannon) (14:48): My question is to the Minister for Foreign Affairs. Will the minister advise the House on action the government is taking to deal with the threat posed by extremists returning from fighting in Syria and Iraq?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:44): I think the member for Wannon for his question. I can inform the House that I have today received an update from our ambassador in Baghdad on the conflict in Iraq, including reports of new sectarian massacres committed in northern Iraq by the terrorist organisation ISIL and other extremists. These are appalling reports of mass executions in areas that have come under the sway of ISIL. It is shocking—indeed, beyond comprehension—that some Australian citizens have boasted of being involved in these atrocities, including the murder of Iraqi soldiers. The Australian public must also have been deeply disturbed by the release of a video depicting ISIL fighters urging others to join the conflict, and it was simply chilling to hear one of them speaking with an unmistakable Australian accent. Of the up to 150 Australian citizens involved in Syria and Iraq, here and overseas, some are directly involved in fighting while others are assuming leadership roles in terrorist organisations seeking to radicalise and find...
new recruits or providing support for logistics and the financing and procurement of weapons. There is no doubt that these extremists pose a major and direct threat to our security. Just as Afghanistan in the 1990s was a breeding ground for terrorists, including those responsible for the Bali bombings which claimed 88 Australian lives, the Syria-Iraq conflict is providing a similar opportunity for extremists who would do us harm.

To put the current situation in perspective: approximately 30 Australians are believed to have engaged with al-Qaeda and the Taliban in Afghanistan prior to the NATO-led intervention. With five times that number already believed to be directly engaged in the Syria-Iraq conflict, the risks have increased exponentially. The government recognises this escalating threat and we are taking firm action. There are severe penalties, as I have informed the House, including imprisonment of up to 25 years for a range of terrorist offences. I am taking action, on the advice of our security agencies, by cancelling the passports of those believed to be a security risk.

Today I spoke at the ANU's Centre of Arab and Islamic Studies and reiterated our commitment to work with our partners in the Middle East to combat the terrorist threat. We are strengthening our partnership with Muslim leaders in Australia and in our region to help articulate the devastating impact of the conflict on the people of the Middle East and to reinforce that it is illegal for any Australian to support terrorist activities. The government will shortly introduce new legislation giving our security agencies greater powers to counter the terrorist threat. The government will not hesitate to take strong action against any person or any group that is a threat to our national security.

**Budget**

Ms KATE ELLIS (Adelaide) (14:44): My question is to the Assistant Minister for Education. Before the election, the government promised to help families with cost-of-living pressures. The minister's own department has confirmed that, if the government get their way, half a million low- and middle-income Australian families will have hundreds of millions of dollars in childcare benefits cut from 1 July this year. No matter what deal the government cobbles together in the next few days, isn't it true that Australians will be worse off because of this government's cuts?

Ms LEY (Farrer—Assistant Minister for Education) (14:52): I cannot believe that the shadow minister for education is asking me this question today, because the measures we have taken, regarding making payments to families sustainable, are in part measures that were introduced by the Labor Party. Although the shadow minister in the House walked away from her responsibilities, Labor in the Senate recognised that yes, half of this bill belonged to them.

Ms Kate Ellis: There is only one bill. It is the childcare benefit cuts.

The SPEAKER: The member has asked her question and will desist.

Ms LEY: Remember—$106 million of childcare rebate, a payment to families, frozen for six years by the Labor Party—

Ms Kate Ellis: You're cutting $230 billion.

The SPEAKER: This is question time, not argument time.

Ms LEY: but not enacted in legislation, so that when we came into government—

Ms Kate Ellis: You are cutting $230 million.
Ms LEY: In the fig leaf of economic credibility that the member for Lilley was trying to cover himself with so his last budget did not look quite as awful as it actually was, these savings were announced but never legislated. So we did that. The Labor Party is also walking away from its responsibilities to children and families. We initiated a Productivity Commission inquiry, which is due to report in July in draft form—

Ms Kate Ellis: Madam Speaker—

The SPEAKER: This answer is relevant. If the member is proposing to take a point of order on relevance, there is no point of order.

Ms Kate Ellis: Madam Speaker, I was pointing out that this is about the cuts to the childcare benefit that this minister has before this parliament right now.

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

Ms LEY: There are no cuts. There is a pausing of the threshold for just three years. The amount of childcare benefit will continue to be indexed on 1 July. The dollar amount of payment will continue to increase.

Ms Kate Ellis: That is not what this says.

The SPEAKER: If the member for Adelaide wants an early mark, I can oblige. The member for Adelaide then left the chamber.

Ms LEY: There is a pause in the threshold for three years. Why are we doing that? Why are we forced to do that? As I said, it does give us no pleasure. We are forced to do that because of the unsustainable budget position we inherited from the Labor Party.

Before the member for Adelaide interrupted, I was pointing out that the Productivity Commission review that points the way to a better future, to a more sustainable future for families, which brings down its draft report next month, was not supported by Labor, was never endorsed by Labor. Labor took no interest in finding policy solutions for the future. In fact, under Labor childcare costs went up 53 per cent. You might say that there are subsidies to assist—and yes, there are—but in the last four years of Labor childcare out-of-pocket costs went up 40 per cent, so families were paying 40 per cent more in the last four years of the Labor government. It is a shameful legacy that we have inherited—one we are managing, fixing and sorting out.

Crime

Mr IRONS (Swan) (14:55): My question is to the Minister for Justice. Will the minister inform the House how the government has made our communities safer? How does this government's approach differ from the previous government's?

Mr KEENAN (Stirling—Minister for Justice) (14:55): I thank the member for Swan for that question. I was very pleased to join him recently in his electorate to announce that we would be spending $100,000 in conjunction with the City of Belmont to provide CCTV for the Belmont town centre.

Mr Bowen interjecting—

The SPEAKER: The member for McMahon is warned!
Mr KEENAN: The member for Swan and I met with a local cafe owner in his electorate who had been repeatedly broken into. The CCTV we are installing will cover the area where his business operates and will act as a deterrent for his business being broken into in this way.

Mr Fitzgibbon interjecting—

The SPEAKER: The member for Hunter will desist!

Mr KEENAN: As the House would be aware, the money we are using for the Safer Streets Program—where the $100,000 for the City of Belmont comes from—is from the confiscated assets account. We are spending it on crime fighting initiatives all around the country. Labor were using it to prop up their dodgy budget.

The SPEAKER: The member for Hunter on a point of order, and it is not an invitation to just repeat the question.

Mr Fitzgibbon: He is taking the funding away for CCTV cameras in Maitland, in my electorate.

The SPEAKER: That is a further abuse of the standing orders. The next person who abuses the standing orders will leave immediately under standing order 94(a).

Mr KEENAN: The reality is we are spending proceeds of crime money on crime-fighting initiatives all over Australia—

Mr Bowen interjecting—

The SPEAKER: I have warned the member for McMahon. He will leave under standing order 94(a) as well.

The member for McMahon then left the chamber.

Mr KEENAN: as opposed to what the Labor Party did when they were in office, which was to use this money to prop up their dodgy budget. If we had not made this decision, there would have been $112 million in that account by the financial year 2017-18, money that we are now using to help law enforcement agencies all around Australia do their job.

The good thing about CCTV is that when it captures footage of people doing the wrong thing it is very hard for them to deny it. The camera never lies. That is why I was a bit surprised after the member for Grayndler said on Tuesday in the House that the Labor Party does not associate with criminals that I came across this photograph of the member for Grayndler associating with notorious criminal Craig Thomson, a man who has been convicted of 65 charges of dishonesty. Sadly, he is not the only one. We have the member for Watson, who likes to holiday in Eddie Obeid's alpine lodge. His defence is that he did not have skiing relations with that man. We have the member for Wills, who was actually a referee for Tony Mokbel. I have plenty of other examples—

Mr Albanese: Madam Speaker—

The SPEAKER: I will hear the member for Grayndler, but I remind him that an abuse of the standing orders will see him leaving.

Mr Albanese: Absolutely, Madam Speaker. You know full well that a serious standing order is reflection on members.

The SPEAKER: Well—
Mr Albanese: Reflection on members. If we want to have a free-for-all, we are up for it. We are up for it, but we will have it.

The SPEAKER: The member will resume his seat, and the minister will resume his seat. The member for Grayndler will withdraw those remarks as being a reflection on the chair.

Mr Albanese: Madam Speaker—

The SPEAKER: Withdraw your remarks.

Mr Albanese: I withdraw, Madam Speaker.

The SPEAKER: Good.

Mr Albanese: I did not—

The SPEAKER: And you will resume your seat.

Mr Albanese interjecting—

The SPEAKER: The member will resume his seat!

Honourable members interjecting—

The SPEAKER: There will be silence. Should there be a statement that implies that the member is by his actions himself committing some act which is illegal, then that is a reflection on the member.

Mr Albanese interjecting—

The SPEAKER: The member will resume his seat!

Mr Dreyfus interjecting—

The SPEAKER: The member for Isaacs will also resume his seat. I am in the middle of saying something.

As you know, an imputation against a member is contrary to the standing orders. So, if the minister is imputing to the member who is in a photograph that he is somehow committing an illegal act, that is imputing and reflecting upon the member and is not in accordance with the standing orders. If a minister merely says a photograph exists which has certain people in it, that is not a reflection. So I would ask the minister—

Mr Albanese interjecting—

The SPEAKER: Resume your seat! I would ask the minister, when he returns to the dispatch box to continue his answer, to bear that in mind and to not reflect on members. And, if there has been a reflection, he might assist the House by withdrawing any reflection. But, in accordance with my ruling, he may cite that people were in photographs together.

Mr Albanese interjecting—

The SPEAKER: Resume your seat! The minister has the call.

Mr KEENAN: Thank you for the call, Madam Speaker. We are talking about someone who for three years propped up the former Labor government.

The SPEAKER: The minister will resume his seat. I will hear from the member for Isaacs.

Mr Dreyfus: Madam Speaker, standing order 90 has two parts. You have referred only to half of standing order 90. The other part is: 'all personal reflections on other members shall be considered highly disorderly'. It is not a matter of—
The SPEAKER: The member will resume his seat.

Mr Dreyfus interjecting—

The SPEAKER: The member shall resume his seat.

Mr Dreyfus interjecting—

The SPEAKER: The member will resume his seat! In my answer, if you had been listening, you would have heard that I also referred to reflections. Now, in accordance with that ruling, I would ask the minister to continue his answer.

Mr KEENAN: Thank you, Madam Speaker. I withdraw, in the interests of the House. But I have other examples. There is a former president of the Labor Party, Michael Williamson. He is in jail for 7½ years for fraud. I will let the evidence speak for itself.

Dementia and Severe Behaviours Supplement

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (15:03): My question is to the Prime Minister.

Mr Snowdon interjecting—

The SPEAKER: The member for Lingiari will desist!

Mr SHORTEN: My question is still to the Prime Minister. It has been confirmed in the other chamber that his government is scrapping the aged-care dementia and severe behaviours supplement. Why is this Prime Minister now ripping away money from our most vulnerable senior Australians, those in residential care with dementia? Just how low can you go?

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

Mr Pyne: Madam Speaker, while the House has been focusing on so-called imputations, the last part of the Leader of the Opposition's question was rude and unnecessary, and he should withdraw.

The SPEAKER: The Leader of the House makes a valid point. The Leader of the Opposition will withdraw the last part of his question.

Mr SHORTEN: Yes, I withdraw that. The question I asked—

The SPEAKER: And you will resume your seat, and the Prime Minister can have the call.

Mr Shorten: Surely I should rephrase it.

The SPEAKER: No, it is not necessary. You have merely withdrawn the unacceptable part.

Mr Shorten: I accept that everyone knows what I meant.

The SPEAKER: The Leader of the Opposition will withdraw that remark as well.

Mr Shorten: Of course, Madam Speaker. I withdraw.

Mr ABBOTT (Warringah—Prime Minister) (15:04): It is true that this particular supplement has been withdrawn. The problem with this particular supplement—

Mr Shorten interjecting—

The SPEAKER: You have asked a question, Leader of the Opposition. Desist!

Mr ABBOTT: When it was introduced by the former government in the 2013 budget, it was estimated to cost $11.7 million. Because the former government was not very good at
making these kinds of forecasts, it has ended up costing $110 million, so there has been a
tenfold blow-out in expenditure. There has been a tenfold blow-out in expenditure under this
supplement. The supplement has therefore been withdrawn, but the government are
consulting with the sector to try to ensure that we can bring in a better way of dealing with
this particular problem. I table the minister's press release.

Building Better Regional Cities Program

Mrs McNAMARA (Dobell) (15:05): My question is to the Minister for Social Services.

The SPEAKER: There will be silence on my left!

Mr Dreyfus interjecting—

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

The member for Isaacs then left the chamber.

Mrs McNAMARA: My question is to the Minister for Social Services. I refer the minister
to the ANAO report into the management of the Building Better Regional Cities Program—

Honourable members interjecting—

The SPEAKER: The member will resume her seat. There is a general warning, and we
will have silence while the member asks her question.

Mrs McNAMARA: My question is to the Minister for Social Services. I refer the minister
to the ANAO report into the management of the Building Better Regional Cities Program by
the previous government. How is the minister ensuring value for money in this program?

Mr ANDREWS (Menzies—Minister for Social Services) (15:06): Isn't it great to have a
decent member at last representing the people of Wyong and The Entrance and surrounding
areas in the Central Coast of New South Wales. I can say to the member for Dobell that, yes, I
am aware of the Audit Office report into the Building Better Regional Cities Program. This
report is a savage indictment of the incompetence and the partisan pork-barrelling of the
previous government. This is a program that had as its target some 8,000 new affordable
homes and yet it is expected to deliver no more than 3,200. Indeed, by mid-2016 it will be
even less than that—2,969 homes out of 8,000 that were expected to be delivered under this
program. But it is actually worse than that. Do you know how many houses have actually
been built of the target of 8,000? Not 3,000, not 2,000, not 1,000; just 247 homes of the target
of 8,000.

This was a $100 million program. I said that this was partisan pork-barrelling. Four out of
the five grants went to Labor or Labor aligned electorates under the previous government. So
where do you think it went? It went to prop up Craig Thomson in Dobell. It went to prop up
the previous member for New England, Tony Windsor, in that seat. As the Audit Office has
said today, the minister used—these are the words of the auditor—'unpublished eligibility
criteria', 'implemented in a way that gave insufficient attention to the program's objectives'.
That is code from the auditor for this partisan pork-barrelling of this particular program—it
gave 'insufficient attention to the program's objectives'. Indeed, the Labor minister at the time,
according to the advice of the auditor, ignored the department's advice, and that department's
advice was that these program grants were lacking in 'merit' and were not 'value for money'. I
wondered which of the six hapless housing ministers under the Labor government might have been responsible for this.

Mrs McNamara: Six?

Mr ANDREWS: Yes, one every year—it was a game of housie for the Labor Party. Which of the six hapless housing ministers was responsible for this program? Let’s be fair, on this occasion it was not the member for Sydney. She had done enough damage. No, this was the member for Gorton who ignored his department's advice, who made partisan pork-barrelling grants to Labor electorates.

Mr Abbott: Madam Speaker—

Mr Shorten: You did see me first, Madam Speaker.

The SPEAKER: But I didn't call you, I called the Prime Minister.

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

AUDITOR-GENERAL’S REPORTS

Reports Nos 53 and 54 of 2013-14

The SPEAKER (15:10): I present the following Auditor-General's performance audit reports for 2013-14: Audit report No. 53 entitled Management of the National Medical Stockpile: Department of Health and Audit report No. 54 entitled Establishment and use of multi-use lists: across agencies.

Ordered that the reports be made parliamentary papers.

DOCUMENTS

Presentation

Mr PYNE (Sturt—Leader of the House and Minister for Education) (15:10): Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings.

MATTERS OF PUBLIC IMPORTANCE

Budget

The SPEAKER (15:10): I have received a letter from the honourable the Deputy Leader of the Opposition proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The Government's unfair Budget inflicting the greatest hurt on the most disadvantaged.

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—

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (15:11): Seven weeks after it was handed down, the public has delivered a resounding verdict on this budget. It has been the most unpopular budget in four decades—the most unpopular budget in 40 years. Why is that? Because it is the worst budget in 40 years. This is a budget that inflicts the greatest hurt
on the poorest and most disadvantaged people, not just in Australia but around the world. What is more, the hurt is built on a phoney case that cuts are necessary because of a made-up crisis. It is a cruel budget, but it is not cruel for any reason. It is a budget that asks the greatest sacrifice of the poorest—a sacrifice that Australians would be prepared to make if they actually saw budget benefit from it, if they actually saw that we are all in this together. Instead, what they see are the greatest disadvantages going to the people who have the least.

Let's turn to foreign aid for a moment. There has been $7.6 billion cut from the aid budget. Labor are proud of the fact that we doubled the aid budget when we were in government. We are proud of the fact that we helped the poorest people in the world; that we did our share as a wealthy nation. Australia is the fifth richest country in the world. We can afford to do our share. How did we determine what our share is? How did we determine what our goal should be? It was not the Labor Party who determined that, it was John Howard.

When the nations of the world came together to ask what they could do to end extreme poverty and they set the Millennium Development Goals, who was it who said that, as Australians, we should do our share too; that as the world's fifth richest nation per capita we should do our share? It was John Howard who said that. And it was not just Australia that was pulling its weight. In the United Kingdom, what have the political twins of those opposite done with their aid budget? They have not just kept it at 0.5 per cent of gross national income, they have gone to 0.7 per cent of gross national income, with British Prime Minister Cameron saying this made him 'proud to be British'. He said:

We accept the moral case for keeping our promises to the world's poorest even when we face challenges at home.

The case for cutting aid that those across the chamber here have tried to invent is built on the idea that aid does not work, that there is nothing we can do—that old saying: 'Like the poor, they'll always be with us.' In fact, our $7.6 billion that is being cut could teach 25 million people to read and write, it could provide 1½ billion malaria treatments, it could deliver antiretroviral treatments for 10 million people living with HIV-AIDs, it could train three million midwives so that women giving birth in developing countries could have a skilled birth attendant by their side when they deliver those tiny babies.

Our aid was successful. An OECD development assistance committee peer review of Australian aid rated it extremely highly. They said we have a dynamic approach to being a good international citizen, punching at or above our weight, that we are in a strong position to deliver a growing aid budget effectively and efficiently. Our independent review of aid effectiveness also made the same point, but you only need to look at the results on the ground. Australia helped six million Afghan children go to school, including two million girls. The minister was talking before about the breeding of terrorists in Afghanistan. What could be a surer antidote to that than a decent education system for all its children, for boys and for girls?

We cut malaria in Vanuatu by 80 per cent and by more than 50 per cent in the Solomon Islands. You talk about the economic development of the country. We know that these illnesses keep people out of the workforce. They do not just affect the individuals. They do not mean individual sickness; they mean an economy is struck again and again by working age people who cannot be in the workforce because they have malaria. We helped build 2,000 schools across Indonesia. That is what our aid program did.
It is not just the poorest around the world who have suffered because of these budget cuts; it is Australians. Low-income Australians have been the hardest hit by this budget. The greatest unfairness has been reserved for those who already have the least, who are already struggling to make ends meet. Despite every promise that the Prime Minister made during the election about tackling cost of living, what we see with this budget are pensioners who are $4,000 worse off, self-funded retirees who are $1,600 worse off and families who are $6,000 worse off.

Mr Nikolic: Cut the carbon tax if you are worried about the cost of living!

Ms PLIBERSEK: Is carbon pricing going to make up $4,000 a year? What a joke you are. You are voting for pension cuts in your electorate. What do your pensioners think of that? You are voting for family benefit cuts in your electorate. What do your families think of that? You are voting to end the senior supplement. What do your families think about that?

Mr Nikolic: I'm voting for a sustainable budget.

The DEPUTY SPEAKER (Hon. BC Scott): The member for Bass! The Deputy Leader of the Opposition has the call.

Ms PLIBERSEK: Your families will be worse off because of the legislation you have been pushing through the parliament in these last few days. Today in question time we heard confirmation of the cut to dementia care in nursing homes, money specifically set aside for people who have extremely difficult to manage behavioural problems, people who are acting up, people who are very difficult to place. He voted for that too. There are cuts to concessions, concessions pensioners will no longer get because the member for Bass voted against them getting concessions.

Mr Nikolic: Mr Deputy Speaker, I rise on a point of order. The front page of the Examiner on 20 June said there were no concession cuts in Tasmania.

The DEPUTY SPEAKER: That is not a point of order and it is grossly disorderly. The Deputy Leader of the Opposition has the call.

Ms PLIBERSEK: More than 280,000 war veterans will be hurt by a change to pension indexation—$65 million out of their pockets; 310,000 pensioners will lose $4,000; and this is the last ever supplement that seniors will get. More than $800 will be ripped out of the pockets of seniors because of the way the member for Bass voted. University students will be paying more than $100,000 a year. A science student will pay $123,000 and university fees for nurses and teachers will go up but their wages will not go up. How will they afford university fees? The big lie of all of this is that there is a terrible crisis.

This lot came into government and what did they do? Their very first action was to double the deficit. They added $68 billion to the deficit. And this is the other great thing: they have to cut pensions, they have to cut family benefits, and they have to cut unemployment benefits. Young people will be without unemployment benefits for six months every year. They have to cut all these benefits because there is a big blow-out in benefits.

The Household Income and Labour Dynamics in Australia survey is called the HILDA survey. Those opposite may have missed this very important piece of work. It comes out very regularly. It shows that working age Australians have become far less dependent on welfare in recent years. In fact, Australia has the lowest level of welfare reliance in decades. So why have these cuts been made? If there is no deficit emergency, because they doubled the deficit,
if there is no welfare emergency, because welfare rates are the lowest they have been in decades, why is it? It is to fund their crazy pet projects. It is to fund direct action. It is to fund paid parental leave—the least fair payment where you give the biggest benefit to the richest people. For that, they are going to cut pensions, they are going to cut the senior supplement, they are going to cut payments to veterans, they are going to cut payments to students, they are going to make it more expensive to get a university education, they are going to cut $80 billion from hospitals and schools. *(Time expired)*

**Ms LEY** (Farrer—Assistant Minister for Education) (15:21): I am pleased to speak on the MPI today and to respond to the sarcastic and nasty member for Sydney and to the things she said, many of which were simply untrue. I sat on the opposition benches for six years and I listened to and watched a Labor government present the nation, the economy and the Liberal and National parties with the situation we are dealing with today. There is an inherent dishonesty in every single thing the member for Sydney says about the situation we are facing, not to mention the absolute untruths contained in—

**Ms Plibersek:** Mr Deputy Speaker, I rise on a point of order. I should not have to table Budget Paper No. 2, which shows the authentication of all the figures I used. The member opposite should know her—

**The DEPUTY SPEAKER:** That is not a point of order. The Deputy Leader of the Opposition will resume her seat.

**Ms LEY:** You just simply cannot call something a cut when it is not. You can characterise it as that. You can spin it as that. 

**Ms Plibersek interjecting**—

**Ms LEY:** You just mentioned the childcare cuts, member for Sydney. If you are a family and your income stays the same, your childcare benefit from 1 July this year will increase. Under our measures, it will increase. If your income changes, the threshold at which you might qualify might also change. If your family income remains the same, your childcare benefit will not change and, in fact, will go up with indexation. So you cannot possibly call that a cut. I am getting sick and tired of the Labor Party calling these things a cut when they simply are not.

We have to get back to the context in which we are all operating. We understand that you have to live within your means. If you keep on adding expenses to the credit card, eventually it becomes unsustainable. This MPI is framed in terms of the most vulnerable. We will not walk away from our commitment to the most vulnerable. You, the Labor Party, cannot occupy the high moral ground on this subject—not now, not ever. When a government racks up a massive debt, who pays? The most vulnerable pay, because the debt is owned by the government and the welfare payments are paid by the government.

Vulnerable people rely on the government for support; wealthy people do not. When the Greek debt crisis struck, did you see rich people marching in the street? No; you saw poor people, because a government under pressure with that size of debt and deficit is unable to maintain its responsibilities. We are not there. Thank goodness, we are not there. We are putting measures in place to make sure that we do not get there. What we are doing is bringing the budget back under control, and we are doing it in a responsible fashion.
In 10 years time under Labor, you would have had gross debt of $667 billion. In 10 years time under our projected scenario, you will still have debt of around $300 billion. We were actually criticised by many for not hitting the brakes harder, for not reigning in the spending more. We believed in doing this responsibly. We are charting a path back to a surplus, but it is still going to take us a long time to get there—a long time—because of the sheer size of the debt left to us by Labor. That is an important consideration for members and those listening today to understand. This is not about cutting spending; this is about managing those next few years in a responsible way. The dishonesty that Labor brings to this debate every single day is to absolutely be condemned. It is always the most vulnerable who pay.

But I also want to talk about pensions. The member for Sydney talks about the budget papers. So she should know that there are no cuts or changes to pensions during this term of government—nothing at all. There are some changes that come in in the 2017 year, and there is an election before then. There are changes to the pension age that come in 2035, when the age pension age will be increased. But there are no cuts or changes to pensions during this term of government. But if you listen to the debate, if you listen to the Labor Party, you would assume as a pensioner that your pension payments are going to go down or that they are going to change. In this term of government, they are not. It is simply not true.

It is true that there have been changes to thresholds at which you qualify for certain payments, for family income supplements and child care. It is not a decision we would have preferred to make. It is not something that we would have planned. But, when we inherited debt and deficit from Labor, we simply had no choice. The most important thing a government can do is maintain a strong budget position.

The member opposite talked about overseas aid. That is her portfolio; so she spent some time talking about that. I just want to point her to the remarks of Minister Julie Bishop's predecessor, Bob Carr, when he said that you cannot fund aid on borrowings. We were in the bizarre situation where the previous government was borrowing money from overseas to fund an aid program to send money back overseas. How ridiculous was that! Given the whole premise that the member for Sydney builds her policy on, she should take good note of that advice from Bob Carr.

When it comes to the most vulnerable, one of the things that we are focused on in our budget is young people and the commitment that we have to put them on a sustainable path for the future. We are attacked for the measures that we are taking around earning or learning or working for the dole for young people. That is a key commitment of ours. All around this country you see young people who have disconnected from work, from school and from family, and they are lost in the system.

The Labor Party get a bit obsessed about university. They talk, as they just did, about the numbers attending university as if that is the only higher education pathway that ever matters—and we know it is not. Forty per cent of students leave school and go to university; 60 per cent do something else. Many of those 60 per cent do not have a valid and valuable pathway. Our earning, learning or working for the dole strategy is about making sure that each and every one of them does have exactly that. Instead of talking about that policy as walking away from young people and the vulnerable, it would be more correct to actually demonstrate that it is looking after the most vulnerable.
Work for the Dole is an intensive program that supports and looks after those young people, finds a place for them and teaches them life skills. It does not just send them out to break rocks in the hot sun and pay them the dole; it actually gives them real skills to find a real pathway in the real economy. We will start that in a graduated fashion on 1 July this year and it will pick up more so on 1 July 2015. That really does make a difference. I meet young people who, unfortunately, come from families where they might be the fourth generation unemployed. The sad thing about those families is that no-one actually wants to work, because they do not know what work is. They talk about going down to Centrelink to pick up their pay. I feel for those young people because they do not know what they do not know. And, yes, there has got to be some tough love, and we are the party to bring that tough love to the table, because we will not walk away from the responsibilities that we know we have to young people.

In the context of this matter of public importance today the member for Sydney talked about the sacrifice of the poorest, failing to understand the most important economic reality, which is that unaffordable consumption today means a lack of productive investment in the future. Unless we address the productive investment for the future and understand that you have got to save for that and that you cannot continue to consume in the current environment you will have an economy that just does not look after its people. That message and that understanding is simply absent from the Labor Party. You always get this high moral ground about who loses and how they lose. We should understand that the very valuable payments that are made in the welfare sector as benefits to people at the lower end of the income scale do not come from a government pot of money that just sits there. The government doesn't have any money; the money comes from the productive investment of those who are earning in small business or salaries often at the other end of the income scale. You simply cannot equate the two. Throughout this whole budget debate that is exactly what the Labor Party has done. They have said, 'These people lose this and these people at this end of the scale lose that amount,' and because those amounts are not equivalent somehow the whole budget is unfair. But what we are saying is that, unless we invest in the production of jobs, whether it be manufacturing or services or mining, into the future, we cannot possibly afford the welfare payments that are made today. We have a commitment to maintaining the level of those payments and we have a commitment to the most vulnerable. But, importantly, we recognise that because the government does not automatically find this money there and give this money to those who might require it, more work has to be done. (Time expired)

Mr SNOWDON (Lingiari) (15:31): So there you have it: we need tough love. We need tough love, the minister has just told us. The Prime Minister said in question time, 'It's the tough medicine we just have to have.' No, that is not right, Prime Minister; it is not the tough medicine we just have to have; it is what you are proposing to do to the Australian population. It is not tough medicine, it is hurtful. What you are doing to the Australian population is dangerous.

I first got elected to this place 27 years ago and I cannot recall a budget which has been condemned across the board in the way in which this budget has, because not only is it dangerous, it is pernicious. What it does is undermine many of the values that I hold dear, like supporting those who are most in need, like supporting the most disadvantaged, like giving people a real opportunity in life. What this budget does is undermine all of those precepts.
We have seen what is happening already. Today we have heard about the cuts in support for dementia care. We have seen and we know about the changes to pension indexation—the Prime Minister, getting up at the dispatch box day after day, telling us that it will still be indexed twice a year. We all know that, Prime Minister—we are not fools. But what we also know is that you changed the indexation rate and that has a material impact upon the amount of money people receive in their pockets. They know. Service pensioners around this country now know that this government has betrayed them. Age pensioners around the country now know that this government has betrayed them. We know that a single income family now as a result of these budget changes with a combined income of $95,000 and two kids aged five and 12 will be more than $4,900 worse off a year as a result of the budget—nearly five grand. A single parent on $55,000 with two children will be around $6,000 a year worse off. That is an over 10 per cent reduction in their income. These are not rich people; these are people who live by modest means at best.

And then, of course, we have the changes which have taken place in health care. I see the parliamentary secretary opposite here who is responsible for the Indigenous affairs portfolio in Prime Minister and Cabinet. Let me ask him, because I asked him the other day and he couldn't answer: what is the impact of the co-payment on Aboriginal and Torres Strait Islander Australians? What impact will it have on those people who cannot afford to go and see a doctor? Today I read the Australian Institute of Health and Welfare report, Australia's health 2014. In it it says:

Indigenous Australians have lower life expectancy is, high rates of chronic and preventable illness, poor self-reported health, and a high likelihood of being hospitalised than non-Indigenous Australians.

It is very clear—they are sicker and they are more likely to be hospitalised. Then, at page 332, they talk about the social determinants that can restrict an individual's ability to access health services. I quote:

Cost is a commonly reported barrier to accessing health services for Indigenous Australians and low levels of income can discourage people from seeking medical care and paying ongoing medical costs.

What does that tell you? A very simple thing: the people who most require access to medicines will not get it because they will not go to it. They will not be able to afford the co-payment so they will not go and see the doctor. These are Aboriginal families in my electorate, large families and a very young population. What is going to happen to those families if they cannot access a doctor because they cannot afford it, because they are required to pay a co-payment? I asked the parliamentary secretary this just recently. Who will afford to pay that co-payment? What will the impact be on Aboriginal health and health of the whole community as a result of this co-payment? What modelling have you done? Now we know: the Prime Minister says it is a demand reduction measure. It is a demand reduction measure that will have a material negative impact upon the health and welfare of Australians and most particularly the most disadvantaged and most impoverished of Australians. It is very, very clear that this government's unfair budget has inflicted the greatest hurt on the most disadvantaged in our community and, frankly, they just don't care, because, as the Prime Minister said today, it is 'the tough medicine we just have to have'. How stupid! (Time expired)

Mr TUDGE (Aston—Parliamentary Secretary to the Prime Minister) (15:36): The first point that I make is in relation to the co-payment which the member for Lingiari was so
passionately talking about. The member for Lingiari actually voted for a co-payment when he was a member of parliament and the Hawke government first introduced it.

Mr Robert: He voted for it.

Mr TUDGE: He voted for it then. The Hawke government was the first government to introduce the co-payments. We know that the shadow Assistant Treasurer is in support of co-payments. We know that the Labor governments introduced a co-payment for the PBS. So let us end the hyperbole and focus on what the real matter is here, and that is getting on top of the budget.

The former government was an incompetent one. We know that it was probably the most incompetent government in history. But at least they acknowledged one thing. They did not implement this but they acknowledged it: that a surplus was important. I am not saying they did it but they at least acknowledged that a surplus was important. The former government said that a surplus was important not just to underpin the strength of the economy but to bring cost of living pressures down. But now that the Labor Party is in opposition, it is as if they no longer care at all whether or not the budget is in deficit or surplus and they are in complete deficit and debt denial.

We look at the figures and we see six budget deficits in a row, the six biggest in Australian political history. We are paying $1 billion per month just on the interest on our debt and for as far as the eye can see there is deficit after deficit after deficit. So we are taking the responsible action of getting control of the budget again. We were elected to do so and we are taking the responsibility to implement that.

In the process, though, there are going to be some tough measures and we accept that. There are some tough measures, but they are necessary measures, because if we do not take the measures now then they will be so much harder in the future. If we do not get on top of the budget deficit now then the interest payments alone on the debt will go from $1 billion per month today to $3 billion per month in 10 years time, an extraordinary figure. So that is why we are taking these tough measures in the budget, to get control of the budget, to ensure that we have public finances in order, which ultimately underpins a strong economy.

In the last couple of minutes I have remaining I point out a couple of issues that members opposite have raised. The member for Sydney was talking about the foreign aid budget. In relation to foreign aid, we maintain the current foreign aid commitments. It will continue this year and the same amount will continue next year. No individual program is being diminished. But we are not going to be borrowing further money from overseas in order to then bring it back to Australia and send it back overseas again. We have to be responsible in relation to getting our finances in order so that in the future we can again increase the foreign aid budget.

I refer to two other things which members opposite have pointed out. They talked about pensions. Let me be very clear: there are no cuts to pensions. The Prime Minister has mentioned that day in, day out in this parliament. The pension increased in March, it will increase again in September, it will increase the following March and the following September. Further, there are no cuts in health care. Health care will increase by nine per cent this year, nine per cent next year, nine per cent the year after and six per cent the year after that. The rate of increase slows down from year four onwards but there is no cut to health
care. It is the same in relation to schooling: there are no cuts in that area. Yes, there are savings across the budget; there are many savings in many areas, some of which are tough decisions. But if we do not make the tough decisions now it will be so much harder to make the tough decisions in the future. We did not create the mess which Labor created but we take responsibility for fixing up the mess and we doing so in a methodical, structured, sensible manner but still protecting those who need it most.

Ms CHESTERS (Bendigo) (15:41): The government's unfair budget is inflicting the greatest hurt on those most disadvantaged. We have had people stand up and rant about debt and deficit, but what they fail to realise is that their budget is actually twisted priorities. How can someone stand up and say that we have to make these harsh cuts and we have to deliver tough medicine when in the same budget they are introducing measures to give the wealthiest women paid parental leave of up to $50,000 to have a baby? That is not a government in a budget emergency, that is twisted priority. How is the government funding this paid parental leave? By cutting support to the most disadvantaged in our country. That is the twisted priority of this government.

Who are the most disadvantaged in this country? When I think of that word I think of the people in a town called Eaglehawk in my electorate. It is part of the city of Greater Bendigo and it is one of the areas that is most disadvantaged and pops up at the bottom of all the statistics. They have a community dinner and they have several community lunches. At one of those dinners and lunches I met a young girl called Paige. I was talking with her mother and I was talking with Paige and they were excited because the mother is about to have a second baby. But they are still homeless; they have been on the emergency waiting list for three months and they were couch surfing. Paige's mother was not only worried about having a new baby and about getting Paige off to school but worried about where they live. What these budget changes mean to Paige and her mother she explains: 'If only I was wealthy enough, if only I had a stable home, if only I had a job that paid $150,000 so I had access to the government's $50,000 Paid Parental Leave scheme—but I don't. I am struggling to survive. I have been in the situation of domestic violence. I am coming here to this free community dinner. I will eat my humble pie and pick up my parcel of food, my hamper, and go home. And next week I will again get in the queue to talk about where Paige and I can live and trying to find a home before my second child is born.' That is just one of the many thousands of examples of people in our community who are the most disadvantaged and at risk because of this government's budget.

As a result of this budget, a single parent who earns $55,000 a year will be $6,000 a year worse off by 2016. That is 10 per cent of their budget. If you take money off single parents you are punishing the children, because every single dollar of that $6,000 that this government will take off the single parent is spent on the child. It is spent on them—on their schooling, on their extracurricular activities, on going to birthday parties, and on making sure that their children get the same opportunities as others.

This budget's changes to the pension are another example of the twisted priorities of this government. Let's be real about the pension—it is not big bucks. We are talking about somebody on the single pension getting just over $22,000 a year. There are about 30,000 pensioners in my electorate. All of them will be disadvantaged by and hit hard by this government's cruel budget.
Turning to the changes for young people under the age of 30 who are seeking work, how on earth are you expected to live on nothing? How on earth does the government expect this young job seeker to be able to get to their job interviews, or pay their rent, or be able to live, if they pay them no support for six months? The government must just assume that everybody under the age of 30 still lives with their parents or has a trust fund. It is simply not true.

This budget is an example of twisted priorities. This budget is unfair and attacks those who are most disadvantaged. At the same time it rewards those at the top end of the scale. Every dollar you take from a low-income earner, every dollar you take from the disadvantaged, forces them further and further into poverty. (Time expired)

Mr JOHN COBB (Calare) (15:47): I have known the member for Sydney for some time. I have been on committees with her and have gone on trips with her in that capacity. She is somebody I have learnt to respect for her commitment to people who may be in need, be they Indigenous or otherwise, and I think we have a shared respect there. But I am totally puzzled as to why she would put this MPI forward, when her own government created the situation. I heard her talk about the need for pensions and school funding, and she was upset about foreign aid being cut, about low-income families, about people with disabilities, and about child care, which others have spoken about. These are all good things and, yes, they all need funding. So why did her government leave us in a position where we had to have the guts, the forethought and the determination to ensure that we will be able to fund those things in the future? That is the issue here. I am staggered that the member for Sydney would not realise that if we do not take these firm measures there will be no ability—we will have to cut funding, and we may have to cut schools, let alone pay the teachers who work in them.

I cannot understand it. Day after day we hear from the Leader of the Opposition, but he has never apologised for leaving Australia in that position, and nor has he explained why it happened. The position of Leader of the Opposition is a high position. He has dragged us down to the lowest level I have ever seen here. He drags us down to a union shop floor free-for-all every time he gets on his feet. It is a disgrace. What is his answer? He does not have one, no matter whether it is him or is deputy leader, the member for Sydney.

The people in the cities are not the most at risk here. The most at risk are those out in regional Australia who are on pensions or who have needs, because in regional Australia there will be less to fall back on in terms of resources, when the time comes. If we had not taken the steps we have in this budget to get Australia back on the right foot, the first people who would fall out would be the people in regional Australia.

This is about communities and it is about money, which is why I cannot for the life of me understand why the opposition does not applaud us for fixing up what they messed up. Really, we need a 'sorry day'. Not one about what may have happened 200 years ago. We need a sorry day about what happened over the last six years.

A very good friend of mine said to me in 2008-09, when the government was handing it all out, that she received a cheque from the government for $850. I said, 'You didn't,' because I knew she was earning $85,000 to $90,000 a year. She has no dependents at all. She showed me the cheque and I could not believe it. If there were a federal ICAC, that is something that should go to it—straight out bribery, wastefulness or incompetence. Call it what you like, it is an ICAC thing when you give people earning as much as her that sort of money as a gift.
simply because you want to curry favour with the general population. I find it unbelievable stuff.

Why are we doing a tough budget? Tell me how many businesses and families in a matter of six years could take over the sort of business you were handed and turn it into absolute chaos—and, yes, it is chaos when you take over something that is $60-odd billion in the black and turn it into a business with $660-odd billion of debt, based on your own Treasury figures. Not many could do it. It is not easy to get rid of that much money in that much time.

We are doing what you do if you have the guts to do it politically. I am not a populist, although a lot are on both sides. We have to do what is necessary. This is necessary.

Ms HALL (Shortland—Opposition Whip) (15:52): The member for Calare stands condemned for trivialising Sorry Day, the apology to the stolen generation—one of the greatest moments in this parliament. I condemn him for the statement that he just made. This budget is not about the apology to the stolen generation; this is a cruel budget that affects all Australians. He really stands condemned for that comment, and I am sure that Indigenous Australians throughout this country will take note of that. It goes to the heart of the fact that this government really does not care.

This budget is cruel, this budget is mean-spirited, this budget attacks the most disadvantaged people in our society—as the member for Calare just did. This budget stands condemned, as does this heartless government—one of the most heartless governments, if not the most heartless government, in the history of this country. Each day I see members opposite on the backbench hanging their heads, because they know how harsh this budget is. They know how it is attacking people in every area of our society.

Government members interjecting—

Ms HALL: I hear some members opposite up the back supporting it. It attacks the most vulnerable, whether they live in Australia or outside Australia. It slashes the money that goes to disadvantaged people in disadvantaged countries—money to fight malaria and address child and maternal health and mortality.

This budget is a budget of betrayal. No-one is spared, be they old or young. There are cuts to health and education. Actually, the one thing about this budget is that nobody misses out—unless you earn over $100,000 a year; if you are a high-income earner and you are going to have a baby, this government will give you $50,000.

There are cuts to the seniors supplement—seniors are just about to receive their last seniors supplement—and changes to pension indexation. Members on the other side say that there is no change to the pension. Well, legislation went through this parliament this week that changes the indexation method for the pension. That will mean that, within a 10-year period, pensioners will get on average $80 less a week.

The decision to increase the eligibility age to 70 for pensioners was made without any consultation whatsoever. Good policy is developed by consultation and by doing research before you introduce it. Today we hear about the cut to the dementia supplement. Dementia is a growing epidemic within this country, and this government seeks to ignore it.

Family tax benefit—it does not miss out on Australian families; it is slashing the family tax benefit. If you have two children and you are a stay-at-home mum, $60,000 is gone. Or like the family that came to see me the other week who—
Ms HALL: $60,000?—they stand condemned. Like the family that came to see me last week where the wife was a carer for the husband and they have a disabled child—$3,000 going, and they are struggling to survive at the moment.

No schoolkids bonus—those on the other side of this House want to see the schoolkids bonus go. They want to make it harder for families. Young people—Youth Allowance, eligibility for Newstart raised from 22 to 24 years of age; and then the harsh six-month period where people will receive absolutely no income at all and, at the same time, being subject to the work test. They can be in further breach and that six-month period can be extended—all because of a manufactured economic crisis.

Australia has a triple-A rating. It spends less on welfare than any other OECD country except Iceland. In 2001, we spent 23 per cent of our GDP on welfare and that has gone down to 18.5 per cent. This government stands condemned and it does nothing—(Time expired)

Ms HENDERSON (Corangamite) (15:57): I do not quite know where to start after hearing from the member for Shortland—let's start from the beginning. I worked as a journalist for many years, and we always had a strong ethical inclination to tell the truth and report the facts. After hearing what I have heard from members opposite, if they were journalists, they would all get the sack. Because I have never heard more untruths in one debate in the entire time since I have been elected.

It starts with the member for Sydney. I have to say the member for Sydney's speech in this debate is an absolute disgrace. She made a number of statements that are demonstrably, factually untrue. She said families will be $6,000 worse off; pensioners will have their pensions cut; and uni students will be paying more than $100,000 for a degree. It is absolutely ridiculous and it is embarrassing that the member for Sydney could get it so wrong, of course this was followed up by the sterling effort from the member for Shortland, who talked about a $60,000 cut—I am sure she didn't quite mean to say that, but nevertheless it shows how tardy those opposite are when it comes to numbers.

Our economy is in a mess, because of Labor. Let's have a look at the deficits that we have inherited: $191 billion total deficits over six years. They recognise that a surplus is important for this nation and yet $27 billion, $54 billion, $47 billion, $43 billion, $19 billion and $50 billion in deficits—we are heading towards $667 billion in debt, because of the utter mess created by the former government. What we are doing is cleaning up Labor's mess.

They are talking about the budget inflicting the greatest hurt on the most disadvantaged. Let's have a look at what Labor has done and what our budget is doing to help the most disadvantaged. I reflect on the damage that Labor did to sole parents by moving them from the sole parent pension to Newstart. That caused an absolute storm of protest. Let us never forget what Labor did to sole parents. If you have a look at our NDIS—the NDIS that we are delivering very proudly, caring for those with a disability—Labor ran the most disgraceful scare campaign, claiming that we would not fund the NDIS. We are proudly rolling out the NDIS. This is something that has not been reported, disappointingly, but I remind those opposite that they imposed an efficiency dividend on NDIS support packages of $44.9 million—a $44.9 million cut to the NDIS. We have reversed that in our budget. We are...
proudly rolling it out, and we are looking after some of the most vulnerable people in our society: people with a disability, their families and their carers.

Look what we are doing for young people, particularly those who have been unemployed for a long time. We are reversing the terrible record that Labor has on unemployment, particularly youth unemployment. The teenage full-time unemployment rate, for persons aged 15 to 19, went up from 19.6 per cent in 2007 to an astonishing 27.3 per cent. What did Labor do? Labor did nothing. We are reversing that trend by taking a strong focus on earning or learning. We are working hard, through our Work for the Dole program, to get young people off the dole, to give them confidence, to build their skills, through a whole range of different ways: our job commitment bonus; our relocation assistance of up to $6,000 for those who move to regional areas; the Restart program, $10,000 for people to hire someone aged over 50; and the trade support loans, proper $20,000 loans to get young people through their apprenticeships. Look what happened under Labor: one in two young men and women who started an apprenticeship did not finish it. And what did Labor do? Labor did nothing.

Yes, Mr Deputy Speaker, we have had to make some necessary and difficult decisions in this budget, but health spending is going up, education spending is going up and the pension will go up twice a year. We are not going to allow you to scare pensioners, university students, families and everyone else—

Ms Bird: Mr Deputy Speaker, I rise on a point of order.

The DEPUTY SPEAKER (Hon. BC Scott): I know what it is about.

Ms Bird: I am sorry, Mr Deputy Speaker, but I am sure you were doing no such thing!

The DEPUTY SPEAKER: You are absolutely right. The member for Corangamite has the call, but she should make her comments not at me but through me.

Ms HENDERSON: We will not allow members opposite to scare the most vulnerable in our society. We are proud of what we are doing— (Time expired)

Mr HAYES (Fowler—Chief Opposition Whip) (16:02): Like, I would hope, every member here, I take great pride in the fact that I represent a local community. In doing that, I have got to know my electorate very, very well, because that is where I live. I know my electorate may not be the same as everybody else's. I know my electorate is the most multicultural in the country. It is something I take great pride in. The colour, the vibrancy and the diversity of my community are of great significance. But my electorate is one of the most disadvantaged—in fact, the second-most disadvantaged when it comes to socioeconomic rankings. I know where the disadvantage is. I know the pensioners. I know the families that are on a form of welfare support. When I go out of here, I do not put out a press release and simply reiterate my leader's lines, as perhaps those opposite are contemplating when they go back to their electorates. I go and visit the various aged-care facilities in my electorate. I go and visit those people in need. As a matter of fact, I actually close the office once a month for a couple of hours and we do the soup kitchens in my electorate. So do not tell me about disadvantage.

The budget that has been brought down directly targets those least able to afford the pain. All members here accept the need to put an impost on those earning over $180,000. That is fine. That impost only goes for two years and then it returns to what it was. But what the government is doing in this budget to families on tax benefit B, age pensioners, people on
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CARERS ALLOWANCES AND YOUNG PEOPLE IS PERMANENT. YOU ARE TALKING ABOUT MAKING PERMANENT STRUCTURAL CHANGES IN OUR SOCIETY. YOU SHOULD THINK ABOUT THIS WHEN YOU GO BACK TO YOUR ELECTORATES. WHILE I HAVE DISADVANTAGE IN MY ELECTORATE, I AM SURE YOU ARE GOING TO FIND PEOPLE IN YOUR ELECTORATES WHO ALSO HAVE DISADVANTAGE—FOR INSTANCE, THE PENSIONERS OUT THERE. WE ARE TALKING ABOUT PEOPLE WHO SURVIVE ON $20,000 A YEAR. ON THE ISSUE OF CO-PAYMENTS, I CANNOT GIVE YOU AN ACCURATE FIGURE THAT REFLECTS EVERYBODY, BUT MY MUM LIVES WITH ME AND I KNOW HOW OFTEN I HAVE GOT TO GET HER TO SEE A GP; I KNOW HOW OFTEN I HAVE GOT TO FILL HER SCRIPTS. THIS IS NOT SOMETHING THAT SHOULD BE JUST USED FOR POLITICAL DEBATE AND THROWN AROUND LIKE CONFEKT. THEY ARE REAL PEOPLE OUT THERE. PEOPLE ON AN AGE PENSION CANNOT SUDDENLY DECIDE TO WORK ANOTHER SHIFT OR WORK SOME OVERTIME AND MAKE UP THE DIFFERENCE THAT WAY. THESE ARE PEOPLE WHO DO NOT HAVE A DISCRETIONARY INCOME, AND WE ARE SAYING TO THEM, 'YOU ARE GOING TO DISPROPORTIONATELY BEAR THE PAIN OF THIS BUDGET.'

While all this is happening, despite the undertones and the undercurrents around this, the Prime Minister's Paid Parental Leave scheme is going to go through. We are talking about making sure that the Prime Minister's commitment to the wealthy is maintained.

Mrs Sudmalis: No; it's a commitment to women!

Mr Hayes: No; it is a commitment to the wealthy. I do not know how many people in your electorate down the South Coast—I cannot remember its name—earn over $100,000 a year, but I can tell you the average income in my electorate is $35,000. I invite you to tell me what it is in your electorate. Why should a woman who has a baby in my electorate get only, say, $15,000 a year, when someone over in the Treasurer's electorate can come away with a cool $50,000? Kids born in my electorate should not be valued any less than children born anywhere else. These kids have the potential to go and become anything, including members of this place, as all Australians have. So do not start throwing the value of a child around and say, 'If you're born in a wealthy Liberal electorate, we're going to pay you more, but, if you come from a working-class area'—such as mine—'we will reserve our right to pay you less.' This is just ridiculous.

I want to talk about something that came out in the Senate today. As I said earlier, one of the things I do regularly is visit aged-care workers in my electorate. I appreciate what they do. They work long and hard hours, and to think that we are now making cuts to people in the dementia wards, that we are going to cut the allowances for people working in dementia and special needs—

Ms Rowland: Disgrace!

Mr Hayes: What a disgrace!

Mr Laundy (Reid) (16:07): I rise obviously to talk against the MPI. I am a new member of Parliament and this is all a bit foreign to me. There has been a lot of behaviour in this chamber over the last nine months that has reminded me at times of kindergarten behaviour. Taking that theme and running with it for a little bit, I remember back to my early days in kindergarten and I think that the MPI portion of the day is like we used to have after lunch in kindergarten: time for a fairytale. What we have today from those opposite is just another fairytale.

I specifically want to address the member for Sydney saying that we do not have a problem. I am so sick of the commentary around this. Why? Because I am following the
group of people and you could write their commercial experience on the back of a postage stamp. We are in strife. Under their watch, health has gone from $40 billion in 2007-08 to $65 billion last year. That is a 45 per cent increase and it is unsustainable. Welfare has gone from $97 billion in 2007-08—actual numbers which businesses operate on—to $140 billion. That is a 43 per cent increase and it is unsustainable. Inside that welfare, the age pension has gone from $34 billion a year to $58 billion a year. That is a 71 per cent increase in six years. Those are actual figures. Those opposite own them. We have inherited them and we must do something about them.

I want to delve down. This week in question time—and I do not have five minutes unfortunately—we heard about a double-income family on $60,000 and we heard about a single-income family on $60,000. Both have two kids aged zero to six in the first instance. I want to run through their numbers. Two wages of $30,000 make up the $60,000. They get $10,067 in support out of this budget. They pay $5,200 in tax. That is $5,000 less, and that is without health, public education and childcare rebates. The single-income family that the opposition referred to on $60,000 with kids, aged eight to 13, pay $8,635 in tax and they receive $8,350 in benefits without health care or public education. It is just not sustainable. That is the problem. Those opposite had six years to do something about the problem, but it proved too hard.

Whilst they spoke time and time again about surpluses, they were all talk and no action. Where is their representation for the MPI if they are so outraged? We have two of them left. They have come into this chamber and questioned our integrity. We need to do something for the schoolkids who run through this building and for everyone's kids, because we are passing the buck to them. We have $330 billion worth of gross debt now and in this budget there are $200 billion of unfunded liabilities that do not even add up to that number. There is also $65 billion still to go on the construction of the NBN. When you add that to the $67 billion—and here is the kicker—we are up near $1 trillion of debt. This is my story and life: it is always easier to tell people what they want to hear; it takes courage to tell people what they need to hear. Those on this side of the chamber have the courage to do that. The Prime Minister has the courage to do that. I do as the member for Reid. I applaud the government for the steps they are taking. Yes, they are tough but they are necessary. We will not talk about a surplus. We will deliver a surplus, and so we must.

BILLS

Income Tax (Bearer Debentures) Amendment (Temporary Budget Repair Levy) Bill 2014
Income Tax (First Home Saver Accounts Misuse Tax) Amendment (Temporary Budget Repair Levy) Bill 2014
Income Tax Rates Amendment (Temporary Budget Repair Levy) Bill 2014
Income Tax (TFN Withholding Tax (ESS)) Amendment (Temporary Budget Repair Levy) Bill 2014
Tax Laws Amendment (Interest on Non-Resident Trust Distributions) (Temporary Budget Repair Levy) Bill 2014
Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014
I rise to speak on the important issue of repealing the minerals resource rent tax. Today and at previous times, I have heard, endlessly, members opposite banging on about programs that will be cut. There is a schedule of programs that will be cut. One needs to ask oneself: why will these programs be cut? The reality is: of the revenue that was supposed to be raised by the minerals resource rent tax—to pay for things such as the loss carry-back, the small business instant assets write-off threshold, deductions for motor vehicles, geothermal energy, superannuation guarantee charges, low-income support contributions, the repeal of income support bonuses and repeal of schoolkids bonuses, plus infrastructure—only $340 million has been raised since its inception by this failed tax.

I just want to name one project, in infrastructure, that was funded by the money to be raised from that tax, and that was the ring road around the Perth airport—a good project, costing $480 million. Well, this tax has only raised $340 million to date, and yet the funding for the other programs continues. This is typical of the budgeting ability of a Labor government.
I heard the member for McMahon, the shadow Treasurer and former Treasurer, talk about all these cuts and how terrible it was and how good this tax was, and how we as Australians deserve to share in the mineral wealth of this country. Well, can I tell you: these programs are leading to a deficit in this country, because the tax is not raising revenue that it was designed to raise. If you, members opposite, want to mount your argument about Australians sharing in the mineral wealth of this country, you should at least have a look at the state governments, who actually place the royalties on the minerals coming out of the ground. That is how we share the mineral wealth in this country, as the states actually own the minerals. When the minerals come out, a royalty is placed on them, and that royalty can move up and down as market conditions demand. I have heard some ironic arguments in this place in my time here since 1996, but none more ironic than the one against cutting spending on programs that are funded out of a tax like this when the tax has not even raised enough to pay for one of the projects that it was being raised for.

It concerns me that members opposite argue to keep this tax and the carbon tax. It concerns me because, across Australia, we are seeing mining jobs under threat—not only direct mining jobs but indirect jobs as well. Yet members opposite, those who have coal in their regions, including the member sitting at the table opposite, the member for Cunningham—

Ms Bird interjecting—

Mr BALDWIN: I know you're there! She has not spoken a word about supporting the mining industry, when Illawarra coal is cutting jobs in her electorate.

Ms Bird interjecting—

Mr BALDWIN: I am honest enough to admit that the jobs are going primarily because of the amount that they are getting per tonne. But the difference in making a profit is the cost of extraction as against the sale price. One of the costs of extraction is the amount paid in the carbon tax, and, given that only 20 of the mining companies are actually paying the minerals resource rent tax, there are 145 companies that have to go through the auditing process, and that auditing process is another cost to the bottom line of minerals extraction.

Headline after headline after headline is about job losses and potential layoffs in the mining industry. This week, we have seen BHP over in the west put out an announcement that 500 jobs were going—100 at their headquarters—and possibly 3,000 jobs. That was a report from ABC News by Graeme Powell updated yesterday. This concerns members on this side of the House because we know that we need a viable mining industry to sustain this nation.

The mining industry was expected to contribute $49.5 billion through the original resource super profits tax over five years, and then, in 2010, that was replaced with the MRRT, and that was destined to raise $26.5 billion over five years. Let us go forward in time: it has raised $340 million in net terms. Yet the previous government had locked in $16 billion of expenditure over the forward estimates. I have heard Labor stand up and talk about their economic credentials, and there was all that talk when they were in government about posting surpluses. But this displays their understanding of how to put a tax together, as against expenditure; this displays why Labor should never be in government and never be in control of the books.

Mr Albanese: No, never! 'Baldwin calls for one-party state'!
Mr BALDWIN: I do not call for a one-party state, sunshine, but what I call for is economic reliability and sustainability and sense—and you failed on all three fronts. You produced deficits like of which were never seen in this country.

All through my electorate, workers in the mining industry have been affected, whether from the shutdowns at various mines throughout the Hunter or, indeed, the layoffs, or the indirect flow-through to places like WesTrac and Sandvik which have laid off people and have potentially more layoffs to come. And why? As I said, at least I am honest enough to admit that it is at least in part because of commodity prices, but it is also because of the cost of production. And the minerals resource rent tax and the carbon tax are both contributors to the cost of production.

There are around 265,000 people, according to the ABS, employed in the mining industry across Australia. If you add the indirect to the direct, they say that it could be roughly a million people employed in our mining industry—that is a lot of jobs. That is about eight per cent of our national workforce. And eight per cent of our national workforce deserves the support of both sides of the House, through removing this insidious tax which raised nowhere near the revenue—that it was intended to. I mentioned the member for Cunningham earlier. The Peabody mine at Helensburgh has lost 42 jobs locally and the company has lost 400 nationally.

It is not just confined to New South Wales. If you look at the Northern Territory, the member for Lingiari's Frances Creek iron ore mine is becoming unprofitable and jobs will go. Why? In part because of the cost of production. There are 20 companies that are paying the MRRT but there are at least 145 that have to go through the auditing processes and submissions, which cost an awful lot of money. I will go through some of the job losses that have occurred. At the Glencore Xstrata Newlands Northern coalmine, 50 jobs will go in the next couple of days. Bradken Foundry is shut, with 1,000 jobs lost. At Wollongong Coal, formerly Gujarat NRE, there were 47 voluntary redundancies; the workforce dropped by 20 per cent. At Aurizon workshops, jobs were cut in June; 480 jobs will go by 2017. At Nouveau, 120 jobs, or 20 per cent of the workforce, are to go at the Newcastle Warratah site. At Gindalbie Metals, admin jobs were cut at the Karara project in Western Australia. BHP Illawarra Coal will cut 36 jobs by 30 June. Glencore Ravensworth coalmine is going into care and maintenance in September with 17 redundancies and possible redeployment for another 110 people. The Vale Integra coal complex at Camberwell and Glennies Creek will cut 500 jobs. Forge went into administration, cutting 1,370 jobs. The Anglo American Drayton coalmine has 500 employees for the chopping block by 2017. BMA's Saraji coalmine in Queensland will lose 230 jobs. Rio Tinto announced job cuts to come at the Hail Creek coalmine earlier this month. Joy Global's machine maintenance services at Rockhampton has lost 25 jobs. The LDO Chain Valley colliery, in the member for Charlton's seat, has cut 73 jobs in March; sixty were already retrenched from Ravensworth. It goes on. There have been 4,230 recorded job losses since January this year, according to an article from Australian Mining on 26 May.

Mining is the backbone of our communities. I come from a mining area and I understand how that flows through the whole economy. In fact, there was a very good article written by Ian Kirkwood in the Newcastle Herald which focused on the flow-through effect of the
mining industry and how it affects everyone from car retailers to cafes and sandwich shops—businesses across the whole of the community.

This Labor opposition would rather see jobs go; and be mindful that most of the jobs going in the mining industry are those of members of the union movement. It is not only that they are not standing up for jobs—they are not even standing up for the jobs of the people who contribute their union fees to their political party, and that is disgraceful. They have deserted these people in their hour of need.

If we could get rid of this tax, at least it would be one more barrier to growth out of the way. Commodity prices will come and go, and we can all speculate on them. But what we need to do is make sure we keep our industries in Australia competitive. Mining capital is very fluid capital. It will take the path of least resistance and currently that is going to other countries, not into Australia. We need to see, and to demonstrate as a government, that we are open for business—that we will support the mining industry. We will maintain environmental standards but we will cut red tape and help reduce input costs so we can keep those jobs here in Australia. It is part of our bright future. Our nation deserves it and our economy needs it because, without a successful mining industry, our debt position will continue long into the night. That debt position—let us be abundantly clear about it—was created by a miserable Labor government that had no understanding of the nation's economy, how to budget or indeed even how to tax properly. They were very good at expenditure; they were excellent at expenditure. They gave themselves AAA for expenditure but, as far as revenue collection and design go, they got a big F. To raise $340 million, to date, while putting down $16 billion worth of expenditure shows me they have no economic credentials with this nation.

I commend this repeal bill to the House. It is about time the Labor Party stood up for its workers, particularly those union members in the mining industry, and did something to support them.

Mr ALBANESE (Grayndler) (16:27): We have just seen the government's economic illiteracy writ large. Here we have a government that is arguing—at the same time, in the same debate—that this tax is hurting industry so much that industry is closing down, and also that it is not raising any revenue. You cannot argue those two things in the same week, let alone in the same speech, as we have just heard from the member the Paterson. The member for Paterson listed a number of mines where there are job losses and somehow tried to say that the tax, which he argued is not raising any revenue, is at the same time the cause of those job losses. That is absurd.

The job losses are due to commodity prices. For example, 18 months ago, coking coal was $330 per tonne. Today it is $120. That is what is having an impact on those mines. The stupidity we have just heard argued does nothing in terms of proper analysis, which should be about building confidence in our industries. The problem for this government is not just that they talked down the national economy every day, when the coalition turned into the 'noalition' while they were in opposition; the worse sin is that they are talking down the economy now that they are in government. What message does that send to those who trade with us internationally? And we heard about the triple-A rating on expenditure; no, the triple-A rating is the one given by the three agencies to the former federal Labor government. We hear a lot of rhetoric from those opposite about the MRRT and this legislation but we hear nothing from the member for Paterson or from any of the other speakers for the government.
about royalties and the jacking up that has occurred from the Western Australian, Queensland and New South Wales Tory governments. They are jacking up the royalties but we hear nothing from them about that.

When you get rid of all the political rhetoric from those opposite, there is a fundamental question that this legislation relates to. It is whether Australians should have a share of the profits gained from the sale of the minerals that every Australian owns. In other words, when it comes to deposits of iron ore or coal that formed over millions of years due to complex geological processes, should governments simply hand them over to their mates in big business? Or when the possession of these minerals drives mega profits, should governments apply tax on those mega profits on behalf of the community? Labor's position is simple: our minerals are part of our nation's Commonwealth. And the Commonwealth should benefit every Australian. We believe we are blessed with these resources and that we should all benefit. There is a particular reason as well; it can only be dug up once—we are talking about non-renewable resources.

Businesses that take the risk to extract and market these resources deserve to reap benefits from their investment. But since the profits come from assets that are owned collectively, Labor believes that Australians have the right to a share of these profits in times of boom. So when the vagaries of international commodity prices and exchange rates deliver mega profits, the people of Australia should receive a share of those windfall profits. It is very simple.

We also believe that some of the proceeds of this huge boom should be invested in spreading the benefit to other sectors of the economy so that when the non-renewable resources are delivering less productivity to the national economy, the other sectors can fill the void. It is a fundamental proposition of sensible economics—one that was recognised by Ken Henry—which is why you had this concept coming out of the Henry tax review.

So I will be voting against this bill because this bill is more about simply vindicating the Prime Minister's three-word slogans and the pre-election scaremongering than it is about sensible policy. The Prime Minister ran a whole campaign based upon three-word slogans. They did have a plan to get into government but they do not have a plan to govern, and we see that in the chaotic way in which this government's non-agenda has been out there blowing in the breeze since they were elected last September.

Our position is based upon findings in the tax review. Ken Henry argued that current resource charging arrangements levied at export volumes through royalties were inefficient. It would be more efficient to tax profits. It is a pretty fundamental policy of serious structural reform. Indeed the big miners who are paying this tax said they could afford to pay this tax. They were not out there calling for these discussions.

So there was a range of benefits and this legislation seeks to make a number of changes. It allows for the removal of the significant tax breaks that were there for small businesses in the loss carry-back scheme. The policy intent of this change was to spread the benefits of the mining boom to parts of the economy outside the mining sphere. It was pretty sensible policy. There was help for low-income earners via the low-income superannuation contribution to provide up to $500 to augment the retirement savings of Australians earning up to $37,000. This was of particular value to women in our community. There will be 2.1 million Australian women who will be affected by this change. Why is it that there are all these tax incentives for high-income earners to contribute to their superannuation, but low-income Australians do
not have the same incentives? What that means is in the longer term that is one of the structural problems with the budget. As we have an ageing population, it makes sense to boost superannuation, boost retirement savings and, therefore, make the intergenerational impact of the budget more secure in years to come.

There is the schoolkids bonus to help Australian families with the costs of education with payments of $410 for primary school students and up to $820 for high school students. Again it is about broadening the opportunity and broadening the benefits. We want to make sure that every child in this nation has access to the same opportunity. The schoolkids bonus is designed to help parents out. As we all know, many families in the electorates we represent struggle at the beginning of the year to buy textbooks, to buy clothes, to get their kids to school. So that is going as well. The impact of that is very significant indeed.

So we have with this legislation small businesses missing out, families missing out and low-income earners, particularly women, in the community missing out. We had from those opposite this bizarre logic of saying it is not raising enough money at the same time as they were arguing that it is raising too much money and destroying the industry.

But, of course, the whole design of the tax is about profits, and what we have been through in recent years is the construction phase across a range of resources projects. We have not moved into the production phase, and the profits come when you sell the resources, not when you build the infrastructure to extract the resources. One of the things that we were very keen on doing to smooth out the cycle was to make sure that infrastructure in regional communities could be built—projects like the Peak Downs Highway in North Queensland.

We know from going to communities like Karratha and Port Hedland. As the Minister for Regional Development and Infrastructure I had a firsthand look at the problems that exist in those communities—problems where they rely upon a fly-in, fly-out workforce, problems where there is no community infrastructure in terms of schools, hospitals or childcare centres. I opened a childcare centre in Karratha and asked them: ‘How’s it going? When will you be full?’ They said, ‘We were full on the day it was announced.’ They were queuing up to put their name down to get access to child care in that community.

And, of course, the impact on families of the failure to have infrastructure in those local communities is significant indeed. We need to make sure both hard infrastructure like roads, railways and ports and also community based infrastructure benefit those communities as well, because they have such a major impact. With regard to the Regional Infrastructure Fund I have heard the government saying there were not enough resources put in to build the infrastructure that was being bought with the money. They completely failed to understand the fundamental concept, which is that you smooth out the cycle. You build the infrastructure with projects like Gateway WA to alleviate the impact that the growth in the resources sector has had on the roads and infrastructure around Perth Airport, Peak Downs Highway or the Great Northern Highway in Western Australia. There was work in a range of projects to assist resources, including a project like Maldon-Dumbarton in the area of the Illawarra in New South Wales—a project building railway line to the port that has been abandoned by those opposite just as it was abandoned when the Liberals took over the New South Wales government after it had begun.

How is it that a government that says it understands anything about future productivity is abandoning in the budget a project that would directly boost the ability of the industry to get
goods to the port of Wollongong through the rail system rather than on the roads? A project that was abandoned in the budget is more efficient, better for the environment, better for road safety and better for the national economy.

Our view is pretty clear: mineral wealth is common wealth. By that I mean that all Australians own a share of our mineral resources. We cannot all dig them up and sell them—that is the business of mining companies—but governments can and should ensure that, when international commodity prices and exchange rate fluctuations drive profits to record levels, the Australian people can share in that good fortune. Governments should use that money to enhance equity and justice while also building the infrastructure required to generate further prosperity down the track. That is Labor's principle. The government, on the other hand, is happy to allow the full benefit of windfall profits to go straight into the pockets of just a few people. That is an irresponsible approach. It denies the community any benefit from its stake in the common wealth of our nation. While it might suit the government's anti-union, pro-big business rhetoric, it is the antithesis of nation building. We can only sell these assets once and we should ensure that, when they are sold, something comes back to the national interest.

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance): At the outset I would like to take up a couple of points that Labor members have made. First, the member for McMahon stated quite categorically that the MRRT is in no way linked to the schoolkids bonus when in fact former Prime Minister Julia Gillard on 13 May 2012 said:

… the Schoolkids Bonus before 30 June this year and then it can become an (inaudible) part of how they meet the costs of getting the kids to school.

It's part of what we did in the Federal budget to make sure we're spreading the benefits of the boom, spreading opportunity to every part of the country.

Former Minister for Finance Penny Wong on 6 June 2012 said:

I think it’s about making sure we use the benefits of the boom wisely. And I think the Government’s approach with the mining tax and making sure the benefits of that flow through to families, particularly low and middle income families through the School Kids Bonus, where people get assistance for kids’ education costs.

We also heard a couple of doorstop interviews where former Treasurer Wayne Swan informally linked the schoolkids bonus to the MRRT, to the mining boom. Certainly the member for McMahon, who belongs to a party that is a wholly owned subsidiary to the Greens, should know that.

I take up a point that the member for Grayndler made when he was arguing you cannot argue job losses and low revenue at the same time. You can argue both because it is called sovereign risk. The damage done by the MRRT to Australia's international investment reputation from the former government's decision to implement a mining tax on an industry completely and unexpectedly scared off visitors—investors, sorry. Well, it did scare off visitors: visitors who were coming here to invest in our mining industries. The coalition supports states' rights to raise royalties.

This bill repeals the minerals resource rent tax and discontinues or rephases measures that the former government introduced following the announcement of the mining tax. Funding for these measures was tied to forecast mining tax revenues which were never realised, forcing the government to borrow billions upon billions of dollars to pay for them.
The failure of the mining tax to generate any meaningful revenue whatsoever, together with the additional expense of the measures associated with its introduction—all those expenditure items that the government promised—poses a significant risk to the budget, not just now but going long into the future. They would pose a risk ‘as far as the eye could see,’ as the Prime Minister would, quite correctly, say.

The cost of the mining tax and its associated measures will significantly exceed the revenue raised by the mining tax over the forward estimates and way beyond. While the mining tax was originally estimated to raise $26.5 billion by 2016-17, to date it has raised only $340 million in net terms. This is less than $20 per Australian compared to the more than $700 per Australian in linked expenditure over the next three years. The repeal of the mining tax package will contribute more than $12.6 billion to the budget's bottom line, on an underlying cash basis, by 30 June 2017. The repeal of the mining tax represents a significant step towards repairing some—just some, but a significant sum—of the fiscal damage inflicted by the former government on our nation's finances. All Australians know how dreadful that was.

Schedule 1 of the bill repeals the Minerals Resource Rent Tax with effect from 1 July 2014. Repealing the mining tax is an election commitment. The coalition has consistently opposed this tax because it undermines confidence in Australia as an investment destination and as a secure supplier of resources. Mining companies in Australia will continue to pay their fair share of tax through state royalties and company tax, but they will no longer be subject to the unreasonable and unnecessary regulatory and compliance burden that the MRRT imposes on the Australian mining industry.

Ms Price: Hear, hear!

Mr McCormack: I hear the member for Durack saying, 'Hear, hear!' She would certainly know because it would be affecting her very large electorate quite significantly. This burden is stifling jobs—especially in Durack—future investment and economic growth right across this great nation. For the future prosperity of all Australians it is time to remove this impediment to activity in the mining sector and secure a structural improvement in the budget. The repeal of the mining tax will restore industry confidence and will have a positive impact on the level of mining investment in Australia going forward. That is certainly so in the electorate of the member for Durack.

Schedule 2 to the bill repeals the mining-tax related loss carry-back provisions which enable companies making a tax loss of up to $1 million in the 2012-13 income year and subsequent years to recoup taxes paid on an equivalent amount of taxable income in a prior income year. The bill provides that, from the 2013-14 income year, companies can only carry their tax losses forward to use as a deduction for future taxable income, consistent with arrangements prior to the mining-tax related amendments. The removal of this measure will improve the budget position by $950 million by 30 June 2017.

Schedule 3 to the bill amends the instant asset write-off threshold provisions. The instant asset write-off limit increased from $1,000 to $5,000 through the mining tax package and lifted again from $5,000 to $6,500 through the carbon tax package. These increases are very unaffordable, unwanted and needless. The legislation before the Senate deals with a decrease from $6,500 to $1,000 effective from 1 January 2014. Consistent with arrangements which existed prior to the mining-tax related amendments, small business entities will now be able
to immediately deduct the value of a depreciating asset costing less than $1,000 in the income year the asset is first used or installed ready for use. The single small business pool arrangements will be preserved to ensure the continuation of lower business compliance costs. Under these arrangements assets costing $1,000 or more will be allocated to the existing general small business pool and depreciated at a rate of 15 per cent in the first year, and 30 per cent in subsequent years. If the value of a small business entity's general small business pool is less than $1,000 at the end of the income year, the small business can claim a deduction for the entire value of the pool. Reducing the instant asset write-off back to $1,000 will improve the budget position by $2.6 billion by 30 June 2017.

Schedule 4 provides that from 1 January 2014 a $5,000 accelerated deduction for motor vehicle purchases made by small business entities will no longer be available. Motor vehicle purchases by small business entities using the simplified depreciation rules will instead be treated as normal business assets under the concessional capital arrangements, and depreciated at a rate of 15 per cent in the year in which the asset is first used or installed for use, and then 30 per cent for all subsequent years. The removal of this measure will improve the budget position by $450 million by 30 June 2017.

Schedule 5 to the bill repeals the extension of the income tax exploration provisions to geothermal energy exploration with the result that geothermal energy exploration and prospecting expenditure will not be immediately deductible. Geothermal companies will now be required to depreciate relevant assets over time, which is consistent with the general treatment of non-exploration assets. This schedule removes an additional layer of tax law complexity and therefore decreases compliance costs for affected business.

Schedule 6 to the bill re-phases the increase in the superannuation guarantee. Superannuation guarantee contributions will remain at 9.25 per cent until 30 June 2016, and then gradually increase to 12 per cent by 1 July 2021. Given that increases in the superannuation guarantee are funded largely from reductions in take-home wages or business profits, re-phasing the superannuation guarantee could boost near-term economic activity. Any reductions in businesses' overall wages bills would lower their operating costs, whilst workers could also receive more take-home pay in the near term. Further changes to the superannuation guarantee schedule announced in the federal budget will be introduced as an amendment to this bill. These changes would not have been required if the bill had not been blocked by the opposition in March.

Schedule 7 seeks to abolish the low-income superannuation contribution. The bill ensures that the LISC is not payable in respect of concessional contributions made on or after 1 July 2013. The government intends to revisit incentives for low-income earners once the budget is back into strong surplus. Although this bill will repeal the low-income superannuation contribution, low- to middle-income earners may be eligible for the superannuation co-contribution to boost their retirement savings. Individuals who make personal after-tax super contributions may be eligible for a government co-contribution of up to $500.

Schedule 8 gives effect to the government's election commitment to repeal the income support bonus as part of its legislative package to repeal the mining tax. The income support bonus was announced by the previous government in the 2012-13 budget and was expected to be funded by the anticipated revenue from the mining tax. In repealing the mining tax, the government's election commitment was to cease the associated expenditure measures to
achieve the government's required fiscal position. The repeal of the income support bonus will improve the budget position by around $950 million by 30 June 2017. The delay in the passage of this bill has reduced the projected savings to be achieved by the measure by more than $170 million.

Schedule 9 repeals the schoolkids bonus. This will ensure that the family payments systems is sustainable into the future. The government intends to offer a more efficient, targeted approach to improving education outcomes for students through effective education policies rather than bonus payments to individuals. The removal of this measure will improve the budget position by $3.9 billion by 30 June 2017. Finally, I would like to thank all those members who contributed to this debate. With that, I commend the bill to the House.

The SPEAKER (16:54): The question is that this bill be now read a second time.

The House divided. [16:58]

(The Speaker—Hon. Bronwyn Bishop)

Ayes .................81
Noes .................46
Majority.............35

AYES

Alexander, JG
Andrews, KJ
Andrews, KL
Baldwin, RC
Billson, BF
Briggs, JE
Broad, AJ
Broadbent, RE
Brough, MT
Buchholz, S (teller)
Chester, D
Christensen, GR
Cobb, Jk
Coleman, DB
Coulton, M (teller)
Dutton, PC
Entsch, WG
Fletcher, PW
Frydenberg, JA
Gambaro, T
Gillespie, DA
Goodenough, IR
Griggs, NL
Hartsuyker, L
Hawke, AG
Henderson, SM
Hendy, PW
Hogan, KJ
Howarth, LR
Hunter, GA
Hutchinson, ER
Irons, SJ
Jensen, DG
Jones, ET
Katter, RC
Keenan, M
Kelly, C
Laming, A
Landry, ML
Laundy, C
Ley, SP
Marino, NB
Matheson, RG
McCormack, MF
McGowan, C
McNamara, KJ
Morrison, SJ
Nikolic, AA
O’Dowd, KD
O’Dwyer, KM
Pitt, KJ
Porter, CC
Prentice, J
Price, ML
Pyne, CM
Ramsey, RE
Randall, DJ
Robert, SR
Roy, WB
Ruddock, PM
Scott, BC
Scott, FM
Simpkins, LXL
Smith, ADH
Southcott, AJ
Stone, SN
The House Economics Committee held an inquiry into the Minerals Resource Rent Tax Bill when it came before the parliament. As part of that inquiry we interviewed Mr Julian Tapp, from Fortescue Metals Group. I asked Mr Tapp about the corporate tax paid by FMG, then a $20 billion company. My question to him was: ‘In terms of corporate tax paid, it would not be correct to describe Mr Forrest as a taxpayer, would it?’ The response was: ‘Mr Forrest is not a company. Fortescue Metals Group is a company.’ I then said: ‘But, as things currently stand, it would not be correct to describe’—and the reply from Mr Tapp was: ‘We have not cut a corporate tax cheque to date, no.’ So FMG, despite describing itself as a taxpayer, was not at that point a corporate taxpayer.

**Question agreed to.**

**Bill read a second time.**

**Consideration in Detail**

**Dr LEIGH (Fraser) (17:05):** The House Economics Committee held an inquiry into the Minerals Resource Rent Tax Bill when it came before the parliament. As part of that inquiry we interviewed Mr Julian Tapp, from Fortescue Metals Group. I asked Mr Tapp about the corporate tax paid by FMG, then a $20 billion company. My question to him was: ‘In terms of corporate tax paid, it would not be correct to describe Mr Forrest as a taxpayer, would it?’ The response was: ‘Mr Forrest is not a company. Fortescue Metals Group is a company.’ I then said: ‘But, as things currently stand, it would not be correct to describe’—and the reply from Mr Tapp was: ‘We have not cut a corporate tax cheque to date, no.’ So FMG, despite describing itself as a taxpayer, was not at that point a corporate taxpayer.
It was in that context that Labor put in place the minerals resource rent tax—a tax which recognised that, from the early 2000s up until the height of the boom, the share of mining profits returned in tax had fallen from one dollar in three to one dollar in seven. Indeed, it was the Minerals Council of Australia itself that went to the Henry review and put forward a submission arguing for a profits based tax. The Minerals Council of Australia did so not because it is a secret communist haven but because the Minerals Council of Australia recognised, as did so many serious economists around the world, that profits based taxation is a fairer form of taxation.

Let us be honest, the way in which royalties have been administered since the start of the boom has had a profits-based sense about it. Queensland and Western Australia have increased royalty rates as the world price has gone up and they have done so because they have recognised that the rise in the world price is not due to the ingenuity of our miners. Australian miners are ingenious and have put in place a range of new technologies that are at the cutting edge of minerals extraction, but they are not responsible for changes in the world price of iron ore, which has gone up to a large extent due to increased demand, principally in China but also in India.

Honourable members: Korea.

Dr LEIGH: And Korea, I hear an honourable member interjecting. The increase in that world price ought to be captured in part by Australian taxpayers—and it has been through the increase in royalties—and a profits based tax represents that principle. That is why the Minerals Council of Australia asked the Henry tax review to consider a profits based regime. That is not a controversial notion around the world. A little known politician by the name of Sarah Palin made her name as Governor of Alaska championing profits based taxation. She did so because, as she argued, profits based taxation was the right solution for Alaska.

When Australia put in the petroleum resource rent tax in the late 1980s, there was much ado about it. Over two decades later the petroleum resource rent tax has brought billions of dollars of revenue into Australia, and it has done so through the principle of profits based taxation—a fair and reasonable principle, grounded in sound economics, recognising that scarce minerals can be extracted only once. On the principle of equity we should support it, but not just on the principle of equity. A profits based tax should be supported on the Burkean grounds that many of those opposite would champion. Edmund Burke took the view that we are here not just for the generations of today but informed by generations gone and inspired by the needs of generations to come. Generations to come will not thank us if we do not ensure that minerals extraction is done at a fair rate of tax—not an exorbitant rate of tax, not a rate of tax that shuts down the industry, but a rate of tax which over recent years has seen expenditure on private minerals exploration go from $5.7 billion in 2009-10 to $7.8 billion in 2012-13.

Ms PRICE (Durack) (17:10): I am pleased to speak on the Minerals Resource Rent Tax Repeal and Other Measures Bill 2013 [No. 2], which is of acute importance to my electorate of Durack, which incorporates the Pilbara, mid-west and Kimberley regions, the town of Port Hedland and the remainder of the great mining province of the north-west. Mining, primarily of iron ore, is critical to the economy and to the wellbeing of the people of Durack and of the Australian nation. We are all well informed of the impact of additional regulatory burdens introduced by Labor on the sustainability of the mining industry, as we have seen companies
choosing to reduce their investment or move offshore as a consequence of an uncertain and irresponsible policy regime introduced by Labor. These companies have chosen to pursue their activities in an environment where they have determined there is less risk and greater support for their endeavours. We must reverse this impression and restore confidence to ensure growth, development and sustainability of Australia’s great mining and resources industries.

Those opposite say we should all share in the spoils of mining. That is a matter of opinion but, if that is what Labor intended, they have failed miserably to achieve that objective, as history has shown. This is typical of Labor—create an ill-conceived tax that raises little revenue but commit to spend money that it hopes, wishes and prays will somehow be available to fund their commitments. Is it any wonder that Australians are now lumbered with a $1 billion monthly interest burden, which mostly flows overseas, and we are now using a credit card to pay the interest on the credit card? So this government is left to fix the economy and return confidence to the Australian people. Repeal of the MRRT and associated expenditure will improve the budget bottom line over the forward estimates.

The sovereign risk associated with the misguided MRRT is clear to even the doubters. As we have witnessed, it deterred investment and forced even Australian companies offshore to invest in places like Africa. How ridiculous! It is quite something when mining companies start to think it is easier to do business in Africa. How embarrassing! The repeal of the mining tax will have a pivotal impact on the perception of international investors, leading towards restored confidence. The importance of this cannot be overstated.

Let us look at this very sad and sorry history. The original tax, promoted by Labor as the resources superprofits tax, was calculated by Labor to raise more than $40 billion over five years. It has been more like the superdud tax. In 2010, with the introduction of the MRRT, this was calculated down to $26.5 billion and then again to $16 billion. As we all know, a net of just $340 million has been raised by fewer than 20 taxpayers, whilst another 145 miners have been required to produce their MRRT instalment notices.

Having worked in the iron ore sector in Western Australia, I know firsthand that the regulatory burden of the mining tax cannot be overstated. Even though there are only a few companies that, as it turns out, had to pay the mining tax, there are numerous other mining companies who employed staff to comply just with the MRRT legislation. Because of the complexity of this legislation, mining companies around Australia were employing expensive accountancy and legal firms to provide them with an understanding of just what this mining tax meant to them. As we now know, in the end the time and cost taken to understand and comply with this ill-founded legislation was all for nothing, given it raised so little revenue for the Australian people, and it could have been spent on more productive aspects of a mining business.

Getting rid of this ill-thought-out tax will see mining companies around Australia breathe a sigh of relief, confidence restored and foreign investors having faith that Australia is back in the hands of the adults. The repeal will have a significant impact on administration and compliance costs—indeed, millions will be saved by small, medium and large entities. Clearly, the matter was not given due attention by Labor. It was not thought-out, verified or evaluated. This is an appalling approach to doing business. We must repeal this tax and its associated encumbrances and costs.

CHAMBER
I am very passionate about this issue. I was born in Kalgoorlie and experienced the booms and busts of the gold and nickel industries. It is not always easy to make a quid out of mining. For Labor to make it harder for mining companies and, by extension, the good people who live in these mining towns is plain irresponsible. Today I stand here not as the girl from Kalgoorlie but as the representative of Durack, which of course is the economic and mining powerhouse of Australia. Let us put it in perspective: Western Australia contributed, in 2012-13, 58 per cent of all mining outputs and 97.5 per cent of the total iron ore produced. One other statistic just to finish off is that in Port Hedland we see that it is anticipated that some 350 million tonnes of iron ore will pass through that port in a financial year, and some 400 million tonnes is well within its sights. Western Australia is significant, and it can only get better once we get rid of this tax.

The DEPUTY SPEAKER (Mr Broadbent): I thank the member for Durack. I have not heard the line ‘it’s hard to make a quid’ for a long time.

Ms MacTIERNAN (Perth) (17:15): And certainly, Mr Deputy Speaker, you would not have heard it in relation to the iron ore companies in Western Australia, which have certainly been doing very well. It is with pleasure that I take this opportunity to get up here and speak on the mining tax and the reason why I support very, very strongly the fundamental principles of a resource based tax. I have been grossly verballed by the other side from time to time on this matter, and I want to just take this brief opportunity to set this out.

There is no doubt that, when you look rationally at the taxation system and the best way to bring to account the value for the Australian community out of the resources industry, it is as the Henry tax review says. It says that we should replace the current royalties based system with a uniform, rent based tax, legislated for and administered by the Australian government. I agree with that. And that, indeed, was the position that was put by the Minerals Council in their submission informing the Henry tax review. I want to make it very clear that I totally support that principle of a resource based tax.

I guess my view is that I do not think that you can put this just on top of a royalties regime. I think that, if we are going to solve this problem, in the long term we need to work with the states and to come together with a composite and uniform system, which was indeed the vision of the Henry report. I think that must be the way that we go down.

But I want to address this nonsense that we hear from the government all the time that somehow or other this tax has been bad for Western Australia. I can set out why it has not been bad for Western Australia, but I also just want to make sure that I get this opportunity to acknowledge that I think that really, fundamentally, Labor lost the public relations battle on this one. So, when after the 2013 election I suggested from time to time that I thought it was time to let it go, it was not that I in any way thought that this tax was an improper tax or that this tax had in any way curtailed the development of Western Australia. I do not believe it did, and I am very confident that it did not do that.

I just want to give some facts associated with this. Let us have a look at iron ore production in Western Australia. Iron ore production in Western Australia in 2011, when the tax was introduced, increased by 15.9 per cent. In 2012, it increased by 12 per cent. In 2013, it increased by 13 per cent. So we see this massive growth in volume after the introduction of the tax. And we look at the value of iron ore sales. From 2011 to 2013, it went up first by 15.8 per cent and then, in the following year, by 23.3 per cent. There is absolutely no way that this
hampered the performance of Western Australia. Rio Tinto's full-year profit was $3.7 billion. BHP Billiton's was $7.8 billion. FMG's half-year profit was $1.7 billion.

Let me quote here. There was this idea, this nonsense, that the industry was going to wander off and go off to Africa. I want to quote here the report of Dr Stephen Grenville, who is a former RBA member and a former OECD and IMF member. In response to a statement by the then chief executive of Rio Tinto that Australia represented his main sovereign risk, he says this:

Now, with some hindsight, the absurdity of this argument is obvious. Would Rio have gone elsewhere? He says:

Its painful experiences with Riversdale coal in Mozambique, Simandou iron ore in Guinea and Oyu Tolgoi copper in Mongolia were assuaged only by colossal Australian iron-ore profits.

I put it to you that, on any rational analysis, this tax has not had a negative impact on Western Australia. Am I disappointed that we did not get this right, that we perhaps could have introduced this in a better way? I am, but this tax has not—

The DEPUTY SPEAKER (Mr Broadbent): I thank the member for Perth for her contribution.

Mr BROUGH (Fisher) (17:20): I have to say that that last little bit was pretty entertaining—a sort of little mea culpa: 'We could have done this a little bit better.' Remember, at the time you had the world's greatest Treasurer! Do you recall that? It takes the world's best Treasurer to be able to devise a tax that not only does not raise any tax but actually creates a liability. That is a pretty impressive effort. I can see him out there now, touting his CV: 'Yes, I've devised my own taxes. I could do really well for you as your CFO or perhaps as a chairman or as a board member. I could show you how to lose money, how to create a liability, at the same time dressing it up as something that is going to create an income.' That is pretty damn impressive! I am not quite sure that it is going to cut the mustard, though, when you are out there in the real world where people have to make real profits.

It is quite extraordinary. Here we are at the death knell of this pathetic tax, and we have the member for Perth, who, as I recall—and I think I quote you accurately; please feel free to interject if I get this wrong—said this to her colleagues. I presume that the member for Lilley, the former Treasurer, was there at the time. She said:

I think it would be fair to say that the mining tax hasn't done the job that it was designed to do … Have I got that right? Have I got that right, Member for Perth?

Ms MacTiernan: I've made my contribution.

Mr BROUGH: You certainly did make your contribution. These are the sorts of perils that the Labor Party left the coalition to clean up: mountains and mountains of legislation failure; put on top of that expenditure for revenue that was not raised; and the coup de grace was to devise a tax that actually creates a liability for the Commonwealth. That is a pretty special effort, and to be able to achieve that you have to wear the moniker of being the 'world's greatest Treasurer'. Well, I tell you what, when he is out there in the real world I ask him to tout that. That is when the rubber hits the road. When the soon to be former member for Lilley fronts up and touts his wares, the people of this nation—who create the jobs that produce the taxes that allow us in this place to distribute those taxes evenly and equitably around the country—will just shake their heads, scratch their brows and wonder how the hell
it is so. I tell you what else they will do. They will realise what a mammoth task the coalition has in trying to right the wrongs of six years of Labor.

This monumental failure is there at the forefront. To think that nearly 12 months after the election they are still trying to defend the indefensible. Why not walk away from failure and admit that you got it wrong? We all make mistakes. This just happened to be a pretty big one. The member for Perth belled the cat and said this probably did not do the job it was designed to do. It did a lot worse than that. It actually created long-term liabilities in the form of expenditure that was never going to be matched by income. It also provided a windfall directly to some of our largest miners while damaging the prospects of our middle-income miners and those who are trying to grow jobs in less than rich resources, I guess you might say.

I want to share one last thing which goes to how much damage the Labor Party did. This is a true story. A small mining company here in Australia, wanting to mine in Tasmania, raised capital in the UK. In that capital raising the people that gave this Australian company the money said that the money ‘may only be used in your Mozambique mine, it cannot be used in your Australian mine’ because ‘Australia is too much of a sovereign risk’. Isn’t that an extraordinary thing to hear, that Australia was too much of a sovereign risk? These are the true consequences of incompetence, and not only incompetence but that when you stick to it you do not learn by your mistakes, you continue to defend those errors and try to paper over what you have done to this great economy and to this wonderful industry for Australia which underpinned the tax cuts that the Howard government was able to deliver over a 12-year period which gave us surpluses—

The SPEAKER: The member is interrupted. The 20 minutes for consideration in detail has been completed. In accordance with the resolution agreed to earlier, I put the question that the bill be agreed to.

Mr Bowen: Madam Speaker, I raise a point for clarification. Can I confirm that there are no amendments before the House on this bill? The parliamentary secretary in introducing the bill indicated there would be government amendments. I want to confirm that there are no amendments.

The SPEAKER: My understanding is we currently have no amendments to this bill before the House.

Mr Bowen: Thank you, Madam Speaker. It was flagged by the government in the second reading that there would be amendments moved. I just need to confirm that that has not occurred.

The SPEAKER: There are no amendments in this House that I am aware of.

Mr Bowen: Thank you for your assistance, Madam Speaker.

The SPEAKER: The question before the House is that the bill be agreed to.

The House divided. [17:30]

(The Speaker—Hon. Bronwyn Bishop)

Ayes .....................81
Noes .....................45
Majority ..................36
AYES

Alexander, JG
Andrews, KL
Billson, BF
Broad, AJ
Brough, MT
Chester, D
Cobb, JK
Coulton, M (teller)
Entsch, WG
Frydenberg, JA
Gillespie, DA
Griggs, NL
Hawke, AG
Hendy, PW
Howarth, LR
Hutchinson, ER
Jensen, DG
Katter, RC
Kelly, C
Landry, ML
Ley, SP
Matheson, RG
McGowan, C
Nikolic, AA
O'Dwyer, KM
Pitt, KJ
Prentice, J
Pyne, CM
Randall, DJ
Roy, WB
Scott, BC
Simpkins, LXL
Southcott, AJ
Sudmalis, AE
Tehan, DT
Tudge, AE
Van Manen, AJ
Vasta, RX
Wicks, LE
Wilson, RJ
Wyatt, KG

Andrews, KJ
Baldwin, RC
Briggs, JE
Broadbent, RE
Christensen, S (teller)
Coleman, DB
Dutton, PC
Fletcher, PW
Gambaro, T
Goodenough, IR
Hartley, L
Henderson, SM
Hogan, KJ
Hunt, GA
Irons, SJ
Jones, ET
Keenan, M
Laming, A
Laundy, C
Marino, NB
McCormack, MF
McNamara, KJ
O'Dowd, KD
Pasin, A
Porter, CC
Price, ML
Ramsey, RE
Robert, SR
Ruddock, PM
Scott, FM
Smith, ADH
Stone, SN
Taylor, AJ
Turnbull, MB
Varvaris, N
Whiteley, BD
Williams, MP
Wood, JP

NOES

Albanese, AN
Bird, SL
Brodtmann, G
Butler, MC
Byrne, AM
Chesters, LM
Claydon, SC
Conroy, PM
Elliot, MJ

Bandt, AP
Bowen, CE
Burke, AS
Butler, TM
Chalmers, JE
Clare, JD
Collins, JM
Danby, M
Ellis, KM
Question agreed to.

Third Reading

The SPEAKER (17:36): In accordance with resolution, the question now is:
That this bill be read a third time.
Question agreed to.

Bill read a third time.

Offshore Petroleum and Greenhouse Gas Storage Amendment (Regulatory Powers and Other Measures) Bill 2014

Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Amendment Bill 2014

Health Insurance Amendment (Extended Medicare Safety Net) Bill 2014

Public Governance, Performance and Accountability (Consequential Modifications of Appropriation Acts (No. 1), (No. 3) and (No. 5)) Bill 2014

Public Governance, Performance and Accountability (Consequential Modifications of Appropriation Acts (No. 2), (No. 4) and (No. 6)) Bill 2014

Public Governance, Performance and Accountability (Consequential Modifications of Appropriation Acts (Parliamentary Departments)) Bill 2014

Returned from Senate

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

Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Bill 2014

Consideration of Senate Message

Bill returned from the Senate with an amendment.

Ordered that the amendment be considered immediately.

Senate’s amendment—
Amendment — Senate - Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Bill 2014

(1) Schedule 2, page 28 (after line 15), after item 58, insert:

58A Guidelines

The amendments to section 65 of the FMA Act made by this Schedule do not affect the continuity of the Commonwealth Cleaning Services Guidelines 2012, as in force immediately before the commencement time.

Mr McCORMACK (Riverina—Parliamentary Secretary to the Minister for Finance) (17:38): I move:

That the amendment be agreed to.

The government in the Senate—

Opposition members interjecting—

Mr McCORMACK: I will take my time because this is very important. Whilst you might all laugh, the Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Bill 2014 is a very important bill. The government in the Senate did not oppose this amendment—a move by the Labor Party—and made that decision in order to have the Public Governance, Performance and Accountability Act 2013 commence as intended from 1 July 2014. The provisions contained in the PGPA Act seek to modernise the Commonwealth's current financial accountability performance and reporting framework. It is arguably the most significant change in public sector governance since the Financial Management and Accountability Act 1997 and the Commonwealth Authorities and Companies Act 1997 were introduced around 17 years ago. The bill makes amendments to more than 250 pieces of legislation across the Commonwealth to align their operation with the PGPA Act and to ensure the effective implementation of the PGPA Act and supporting PGPA rules.

The amendment proposed by the opposition would insert a new savings provision into the main PGPA (Consequential and Transitional Provisions) Bill to ensure that a legal basis for the guidelines would remain under the PGPA framework and the amendments in the PGPA consequential bill would themselves no longer have the effect of scrapping those guidelines. While the government is not supportive of the guidelines, to ensure timely commencement of the PGPA Act and to ensure the effective implementation of the PGPA Act and supporting PGPA rules.

Finally, a lot of effort has already been devoted across the Commonwealth to ensuring that entities are ready for a 1 July 2014 start to the PGPA Act. There would be a disruption to planning across a considerable number of Commonwealth government bodies if the PGPA Act were not enacted at this time.

Mr BURKE (Watson—Manager of Opposition Business) (17:40): The opposition supports the Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Bill 2014 and we absolutely support the amendment. This amendment delivers wage justice for cleaners. While those opposite might say now that they support the amendment, we all remember them sitting on this side of the chamber to try to vote against wage justice for cleaners only this week. Last week began with the Prime Minister saying on Monday:

I want to make it absolutely crystal clear that no cleaner's pay is reduced.
On Tuesday, they introduced a bill that would have the impact of reducing the pay for cleaners. Under the Clean Start rates, cleaners who were being paid $22.02 per hour had the capacity to go down under the next tender round to the equivalent of $17.49 an hour—to lose up to $344 a week as a result. No-one should be in any doubt that those opposite are willing to attack the pay and conditions of the lowest paid workers in this country. No-one should be in any doubt that, when it comes to low- and middle-income earners, people on this side of the chamber—the Labor members—will be the ones who stand up for them.

We heard from Minister Cormann in the Senate and we heard it again from the parliamentary secretary—and any low-paid worker should remember these words—that the government continues to 'not be supportive of the guidelines'. Australia's low-paid workers should know that, any future attempt by the government—whether it be by regulation or whether it be by a new bill—to cut the wages of Australia's low-paid workers, Labor will stand up for them and stand in the way of those opposite.

The SPEAKER: The question is that the amendment be agreed to.
Question agreed to.

BUSINESS

Consideration of Legislation

Mr HUNT (Flinders—Minister for the Environment) (17:42): I move:
That the resolution agreed to on 24 June 2014 relating to the consideration of the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 (No. 2) and 10 related bills be varied to exclude the Clean Energy Finance Corporation (Abolition) Bill 2014 and to make the further consideration of that bill an order of the day for the next sitting.

Mr BURKE (Watson—Manager of Opposition Business) (17:43): I draw attention to the House to the fact that we have just had the government move a Clive Palmer amendment. I draw the attention of the House to the words of the Prime Minister before the election, and I quote:
There will not be deals done with independents and minor parties under any political movement that I lead.

From the Prime Minister in February 2012:
There are no dodgy, done-in-the-dark deals under the Coalition.

From the Prime Minister:
We don’t want another government dependent upon wayward independents.

There is a long list of readings from the book of Palmer. There is a long list of readings available that we are now going to be hearing from those opposite. And we will add this to the list of the number of things where they made one commitment before the election and then do the exact opposite when they are in office.

The SPEAKER: The question is that the motion be agreed to.
Question agreed to.
BILLS

Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013 [No. 2]
True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Import Levy) (Transitional Provisions) Bill 2013 [No. 2]
Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Excise Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Clean Energy (Income Tax Rates and Other Amendments) Bill 2013 [No. 2]
Climate Change Authority (Abolition) Bill 2013 [No. 2]

Second Reading

Cognate debate.
Debate resumed on the motion:
That the bills be now read a second time.

Mr HUNT (Flinders—Minister for the Environment) (17:44): I move:
That the bills be now read a second time.

The SPEAKER: Pursuant to the resolution agreed to earlier, as amended, the question is that these bills be now read a second time.

The House divided. [17:49]

(Ayes 80, Noes 46, Majority 34)

AYES
Alexander, JG
Andrews, KJ
Andrews, KL
Billson, BF
Broad, AJ
Brough, MT
Chester, D
Cobb, JK
Coulton, M (teller)
Entsch, WG
Frydenberg, JA
Gillespie, DA
Griggs, NL
Hawke, AG

AYES
Andrews, BF
Baldwin, RC
Briggs, JE
Broadbent, RE
Buchholz, S (teller)
Christensen, GR
Coleman, DB
Dutton, PC
Fletcher, PW
Gambaro, T
Goodenough, IR
Hartsuyker, L
Henderson, SM
### AYES

| Hendy, PW | Hogan, KJ |
| Howarth, LR | Hunt, GA |
| Hutchinson, ER | Irons, SJ |
| Jensen, DG | Jones, ET |
| Katter, RC | Keenan, M |
| Kelly, C | Laming, A |
| Landry, ML | Laundy, C |
| Ley, SP | Marino, NB |
| Matheson, RG | McCormack, MF |
| McNamara, KJ | Nikolic, AA |
| O'Dowd, KD | O'Dwyer, KM |
| Pasin, A | Pitt, KJ |
| Porter, CC | Prentice, J |
| Price, ML | Pyne, CM |
| Ramsey, RE | Randall, DJ |
| Robert, SR | Roy, WB |
| Ruddock, PM | Scott, BC |
| Scott, FM | Simpkins, LXL |
| Smith, ADH | Southcott, AJ |
| Stone, SN | Sudmalis, AE |
| Taylor, AJ | Tehan, DT |
| Truss, WE | Tudge, AE |
| Turnbull, MB | Van Manen, AJ |
| Varvaris, N | Vasta, RX |
| Whiteley, BD | Wicks, LE |
| Williams, MP | Wilson, RJ |
| Wood, JP | Wyatt, KG |

### NOES

| Albanese, AN | Bandt, AP |
| Bird, SL | Bowen, CE |
| Brodthmann, G | Burke, AS |
| Butler, MC | Butler, TM |
| Byrne, AM | Chalmers, JE |
| Chesters, LM | Clare, JD |
| Claydon, SC | Collins, JM |
| Conroy, PM | Danby, M |
| Elliot, MJ | Ellis, KM |
| Feehey, D | Ferguson, LDT |
| Fitzgibbon, JA | Giles, AJ |
| Griffin, AP | Hall, JG (teller) |
| Hayes, CP | Husic, EN |
| Jones, SP | King, CF |
| Leigh, AK | MacTiernan, AJGC |
| Marles, RD | McGowan, C |
| Mitchell, RG | Neumann, SK |
| Owens, J | Parke, M |
| Ripoll, BF | Rishworth, AL |
| Rowland, MA | Ryan, JC (teller) |
| Thistledhwaite, MJ | Thomson, KJ |
| Vamvakianou, M | Watts, TG |
| Wilkie, AD | Zappia, A |
Question agreed to.

Bills read a second time.

Message from the Governor-General recommending appropriation announced.

STATEMENT BY THE SPEAKER

The SPEAKER (17:55): When the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 was first considered by the House, I made a ruling in relation to detailed amendments to the bill which were to be moved by the member for Port Adelaide. I ruled those amendments out of order as they were not in conformity with the standing orders.

In light of my ruling, the member for Port Adelaide permitted the Clerk to show me the proposed amendments he intends to move today ahead of time to allow my consideration.

My ruling on 21 November 2013 was on the basis of two grounds, which is set out in this statement and which I will table for the benefit of members. The most important thing to say in relation to the second ground, in particular, is I understand that the proposed amendments have been changed so it will now specifically provide that the charge per unit shall not exceed the sum contained in the existing legislation.

I consider that this now has dealt with the concerns I had in relation to standing orders179 (b) and (c), and I will allow the member for Port Adelaide to proceed with his amendments.

BILLS

Clean Energy Legislation (Carbon Tax Repeal) Bill 2013

Consideration in Detail

Bills, by leave, taken as a whole.

Mr BUTLER (Port Adelaide) (17:56): I confirm that I have sought to amend the amendments that we are seeking to move in accordance with your ruling in relation to standing order 179. I move:

(1) Title, page 1 (line 1), omit "repeal", substitute "amend".

(2) Clause 2, page 1 (line 7) to page 2 (line 6), omit the clause, substitute:

2 Commencement

This Act commences on the day after this Act receives the Royal Assent.

(3) Schedule 1, page 4 (line 1) to page 70 (line 21), omit the Schedule, substitute:

Schedule 1—Amendments

Australian National Registry of Emissions Units Act 2011

1 Subsection 66F(2) (paragraph (b) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)

Omit "31 July 2014", substitute "31 October 2014".

2 Subsection 66F(2) (paragraph (c) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)

Repeal the paragraph.

3 Subsection 66F(4) (paragraph (b) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)
Omit "31 July 2014", substitute "31 October 2014".

4 Subsection 66F(4) (paragraph (c) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)
Repeal the paragraph.

Clean Energy Act 2011

5 Section 4
Omit ", 1 July 2013 and 1 July 2014", substitute "and 1 July 2013".

6 Section 4
Before "1 July 2015", insert "1 July 2014, ".

7 Section 5 (definition of fixed charge year)
Repeal the definition, substitute:

fixed charge year means:
(a) the eligible financial year beginning on 1 July 2012; or
(b) the eligible financial year beginning on 1 July 2013.

For the purposes of paragraph (b), the months of July, August and September 2014 are taken to be part of the financial year beginning on 1 July 2013.

8 Section 5 (definition of flexible charge year)
Repeal the definition, substitute:

flexible charge year means:
(a) the eligible financial year beginning on 1 July 2014; or
(b) a later eligible financial year.

For the purposes of paragraph (a), the months of October, November and December 2014, and January, February, March, April, May and June 2015, are taken to be the financial year beginning on 1 July 2014.

9 After paragraph 14(2)(b)
Insert:
(ba) if the regulations declare the carbon pollution cap, and the carbon pollution cap number, for the flexible charge year beginning on 1 July 2014—must have regard to any report that:
(i) was given to the Minister by the Climate Change Authority under section 60 of the Climate Change Authority Act 2011; and
(ii) dealt with the carbon pollution cap for that year; and

10 At the end of subsection 15(1)
Add "(other than regulations that declare the carbon pollution cap, and the carbon pollution cap number, for the flexible charge year beginning on 1 July 2014)".

11 After section 15
Insert:

15A When regulations must be tabled—2014-15 flexible charge year

Scope
(1) This section applies to regulations that declare the carbon pollution cap, and the carbon pollution cap number, for the flexible charge year beginning on 1 July 2014.

When regulations must be tabled

CHAMBER
(2) The Minister must take all reasonable steps to ensure that the regulations are tabled in each House of the Parliament under section 38 of the Legislative Instruments Act 2003 not later than 31 August 2014.

(3) The regulations must not be made, or tabled in a House of the Parliament, after 31 August 2014.

Reasons must be tabled

(4) If, on a particular day (the tabling day), a copy of the regulations is tabled in a House of the Parliament under section 38 of the Legislative Instruments Act 2003, the Minister must:

(a) cause to be tabled in that House a written statement setting out the Minister’s reasons for making the recommendation to the Governor-General about the regulations; and

(b) do so on, or as soon as practicable after, the tabling day.

12 Section 16 (at the end of the heading)
Add “—later flexible charge years”.

13 Subsections 16(1) and (2)
Omit ”31 May 2014”, substitute ”30 November 2014”.

14 Subsection 16(3)
Omit ”of May that is 14 months before the start of a particular flexible charge year beginning on or after 1 July 2016, no regulations made for the purposes of section 14”, substitute ”of November that is 8 months before the start of a particular flexible charge year beginning on or after 1 July 2016, no regulations to which section 15 applies”.

15 Subsection 16(3)
Omit ”that May”, substitute ”that November”.

16 Subsection 16(4)
Omit ”the May”, substitute ”the November”.

17 Section 17 (heading)
Omit ”2015-16”, substitute ”2014-15”.

18 Subsection 17(1)
Omit ”1 July 2015”, substitute ”1 July 2014”.

19 Subsection 17(2) (formula)
Repeal the formula, substitute:

Total emissions numbers for the eligible financial year beginning on 1 July 2012 25.000.000

20 Subsection 18(1)
Omit ”1 July 2016”, substitute ”1 July 2015”.  

21 Section 93
Before ”1 July 2015”, insert ”1 July 2014,”.

22 Subsection 100(1)
After ”following table”, insert ”(other than an exempt item)”.

23 Subsection 100(1) (table items 5 and 6)
Repeal the items.

24 Subsection 100(1) (table items 7, 8 and 9)
Repeal the items, substitute:

<table>
<thead>
<tr>
<th></th>
<th>The period:</th>
<th>the eligible financial year beginning on 1 July 2014</th>
<th>the amount prescribed by the regulations for the purposes of this table item</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>(a) beginning at the emissions number publication time of the person for the eligible financial year beginning on 1 July 2014; and (b) ending at the end of 1 February 2016.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>(a) beginning at the emissions number publication time of the person for the eligible financial year beginning on 1 July 2015; and (b) ending at the end of 1 February 2017.</td>
<td></td>
<td>the amount obtained by multiplying the per unit charge applicable under item 7 by: (a) 1.07625; or (b) if another number is specified in the regulations—that other number</td>
</tr>
<tr>
<td>9</td>
<td>(a) beginning at the emissions number publication time of the person for the eligible financial year beginning on 1 July 2016; and (b) ending at the end of 1 February 2018.</td>
<td></td>
<td>the amount obtained by multiplying the per unit charge applicable under item 8 by: (a) 1.07625; or (b) if another number is specified in the regulations—that other number</td>
</tr>
<tr>
<td>10</td>
<td>(a) beginning at the emissions number publication time of the person for the eligible financial year beginning on 1 July 2017; and (b) ending at the end of 1 February 2019.</td>
<td></td>
<td>the amount obtained by multiplying the per unit charge applicable under item 9 by: (a) 1.07625; or (b) if another number is specified in the regulations—that other number</td>
</tr>
</tbody>
</table>
25 Subsection 100(1) (note)
Omit "Note", substitute "Note 1".

26 At the end of subsection 100(1) (after the note)
Add:
Note 2: For exempt item, see subsections (13A), (13B) and (13C).

27 Subsection 100(2)
Omit "item 7, 8 or 9", substitute "item 7, 8, 9 or 10".

28 Subsection 100(3) (heading)
Omit "items 1, 3 and 5", substitute "items 1 and 3".

29 Subsection 100(3)
Omit "item 1, 3 or 5", substitute "item 1 or 3".

30 Subsection 100(4) (heading)
Omit "6, 7, 8 and 9", substitute "7, 8, 9 and 10".

31 Subsection 100(4)
Omit "item 2, 4, 6, 7, 8 or 9", substitute "item 2, 4, 7, 8, 9 or 10".

32 Subsection 100(6)
After "subsection (1)", insert "(other than an exempt item)".

33 At the end of subsection 100(6)
Add:
Note: For exempt item, see subsections (13A), (13B) and (13C).

34 Before paragraph 100(9)(a)
Insert:
(aa) the eligible financial year beginning on 1 July 2014;

35 After subsection 100(13)
Insert:
Exempt item
(13A) The regulations may declare that item 8 of the table in subsection (1) is an exempt item for the purposes of this section.
(13B) The regulations may declare that item 9 of the table in subsection (1) is an exempt item for the purposes of this section.
(13C) The regulations may declare that item 10 of the table in subsection (1) is an exempt item for the purposes of this section.

36 Subsection 100(14)
Omit "31 May 2014", substitute "31 August 2014".

37 Subsection 100(15)
Repeal the subsection.

38 Before subsection 101(1A)
Insert:
(1AA) Subsection (1) does not apply to carbon units with the vintage year beginning on 1 July 2014 that are issued as a result of auctions that are conducted by the Regulator during the financial year beginning on 1 July 2013.

(1AB) The Regulator must ensure that not more than 40 million carbon units with the vintage year beginning on 1 July 2014 are issued as a result of auctions that were conducted by the Regulator during the financial year beginning on 1 July 2013 if there are no regulations in effect that declare the carbon pollution cap, and the carbon pollution cap number, for the vintage year.

39 At the end of subsection 111(3)
Add "However, for the eligible financial year beginning on 1 July 2014, the charge for the issue of a carbon unit may not be more than $25.40."

40 Subsection 121
Omit "first 5 flexible charge years", substitute "first 6 flexible charge years".

41 Subsection 123A(3)
Omit "1 July 2015", substitute "1 July 2014".

42 Subparagraph 123A(6)(a)(i)
Omit "1 July 2015", substitute "1 July 2014".

43 Subparagraphs 123A(6)(b)(i) and (ii)
Repeal the subparagraphs, substitute:
(i) if the eligible financial year begins on 1 July 2014—6.25%; or
(ii) if the eligible financial year begins on 1 July 2015, 1 July 2016, 1 July 2017, 1 July 2018 or 1 July 2019—12.5%; or
(iii) if the eligible financial year begins on or after 1 July 2020, and the regulations do not specify a percentage for that year—12.5%; or
(iv) if the eligible financial year begins on or after 1 July 2020, and the regulations specify a percentage for that year—that percentage; and

44 Subsection 123A(7)
Omit "(6)(b)(ii)", substitute "(6)(b)(iv)".

45 Subparagraphs 133(7)(a)(i) and (7A)(a)(i)
Omit "1 July 2015", substitute "1 July 2014".

46 Subparagraph 133(7A)(a)(ii)
Omit "4", substitute "5".

47 Subparagraph 133(7E)(a)(i)
Omit "1 July 2015", substitute "1 July 2014".

48 Subparagraph 133(7E)(a)(ii)
Omit "4", substitute "5".

49 Subparagraph 133(7F)(a)(i)
Omit "1 July 2015", substitute "1 July 2014".

50 Section 160
Omit "each of the next 3 financial years", substitute "the financial year beginning on 1 July 2014".

51 Subsection 161(2)
Omit all the words from and including "On each" to and including "the following formula", substitute "On 1 September in the eligible financial year beginning on 1 July 2013, the Regulator must issue a number of free carbon units equal to the number worked out using the following formula".

52 Subsection 161(3) (formula)  
Repeal the formula, substitute:

\[
\text{Annual assistance factor specified in the certificate} \times \frac{125,115,000}{\text{Total annual assistance factors for that eligible financial year}} \times A \times B
\]

53 Subsection 196(1AA) (heading)  
Omit "11 months", substitute "8 months".

54 Subsection 196(1AA) (definition of number of units issued as the result of auctions)  
Omit "11-month period", substitute "8-month period".

55 Subsection 196(1AA) (definition of total auction proceeds)  
Omit "11-month period", substitute "8-month period".

56 Paragraph 196(1)(a)  
Omit "May 2016", substitute "May 2015".

57 Paragraph 196(2)(a)  
Omit "November 2015", substitute "November 2014".

58 Paragraph 196(3)(a)  
Omit "1 July 2015", substitute "1 July 2014".

59 Subsection 196A(18) (paragraph (c) of the definition of designated 6-month period)  
Omit "November 2015", substitute "November 2014".

60 Subsection 212(2) (paragraph (b) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)  
Omit "31 July 2014", substitute "31 October 2014".

61 Subsection 212(2) (paragraph (c) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)  
Repeal the paragraph.

62 Subsection 212(3) (paragraph (b) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)  
Omit "31 July 2014", substitute "31 October 2014".

63 Subsection 212(3) (paragraph (c) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)  
Repeal the paragraph.

64 Subsection 289(8)  
Repeal the subsection, substitute:

Report

(8) The report of the first review must set out recommendations relating to the level of carbon pollution caps for each of the following flexible charge years:

(a) the eligible financial year beginning on 1 July 2015;
(b) the eligible financial year beginning on 1 July 2016;
(c) the eligible financial year beginning on 1 July 2017;
(d) the eligible financial year beginning on 1 July 2018;
(e) the eligible financial year beginning on 1 July 2019.

(4) Schedules 2 to 5, page 71 (line 1) to page 94 (line 4), omit the Schedules.

Mr HUNT (Flinders—Minister for the Environment) (17:56): This is a carbon tax in drag. What they have done is reintroduce the carbon tax. They put a different name on it. They put a different hat on it and, at the end of the day, you can call it what you want: it is still a carbon tax. Whatever changes you want to make, Mate, it is still a carbon tax. We do not support it. We are not going to vote for it. We are going to abolish it. There are real bills that will actually abolish this carbon tax.

I want to thank the people who drafted these bills: Simon Writer from the department and his team that have done a magnificent job; Keith Byles and his team from the Office of Parliamentary Counsel; the magnificent Alex Caroly and team from my office.

Let's vote these amendments down, vote the bill through and send this bill to abolish the carbon tax to the Senate.

The SPEAKER: The question is that the amendments be agreed to.

The House divided. [18:02]

(The Speaker—Hon. Bronwyn Bishop)

Ayes ...................... 46
Noes ...................... 77
Majority ................. 31

AYES

Albanese, AN
Bandt, AP
Bird, SL
Bowen, CE
Brodie, G
Burke, AS
Butler, MC
Butler, TM
Byrne, AM
Chalmers, JE
Chesters, LM
Clare, JD
Claydon, SC
Collins, JM
Conroy, PM
Danby, M
Elliot, MJ
Ellis, KM
Feeney, D
Ferguson, LDT
Fitzgibbon, JA
Giles, AJ
Griffin, AP
Hall, JG (teller)
Hayes, CP
Husic, EN
Jones, SP
King, CF
Leigh, AK
MacTiernan, AJGC
Marles, RD
McGowan, C
Mitchell, RG
Neumann, SK
Owens, J
Parke, M
Ripoll, BF
Rishworth, AL
Rowland, MA
Ryan, JC (teller)
Thistlethwaite, MJ
Thomson, KJ
Vamvakou, M
Watts, TG
Wilkie, AD
Zappia, A
Question negatived.

Third Reading

The SPEAKER (18:07): In accordance with the resolution agreed, as amended, the question now is that the remaining stages of the bills be agreed to.

Question agreed to.

Bills read a third time.

House adjourned at 18:09

NOTICES

The following notices were given:
Mr McCormack: To move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: AIR 900 Phase 5C Replacement Chinook Facilities Project, Townsville, Queensland.

Mr McCormack: To move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Defence Terrestrial Communications Network Facilities and Infrastructure Project.

Mrs Prentice: To move:

That this House:
(1) recognises that on 3 September 2014 (‘Australian National Flag Day’) we celebrate the 113th birthday of the Australian flag; and
(2) notes that:
   (a) Australia’s flag was the first in the world to be chosen in an open public competition, and this flag design competition brought forth the pride of a newly formed nation by attracting entries from 1 per cent of our population at that time;
   (b) on 3 September 1901, Lady Hopetoun, wife of the first Governor-General of the new Commonwealth of Australia, formally opened the Commonwealth Flag and Seal Exhibition and announced the names of the successful competitors;
   (c) the winning design was a Blue Ensign including the Union Jack, along with a Southern Cross and a six pointed star;
   (d) this latter star (the ‘Commonwealth Star’) was changed to the seven pointed star we are familiar with today in 1908, to signify the Territory of Papua and future Territories; and
   (e) the new flag represents a design by the people, for the people, and since it was first flown in 1901, has become an icon of our shared identity.

Mrs Prentice: To move:

That this House:
(1) notes that:
   (a) the Australian Red Cross (ARC) was founded in 1914 following the outbreak of World War I; and
   (b) hundreds of thousands of volunteers signed up during World War I, and by World War II the ARC had become Australia’s largest charitable organisation with nearly half a million members out of a population of seven million;
(2) recognises that the ARC has served the Australian people for the last 100 years, most notably through its immediate response to national disasters, blood service, and everyday work to help vulnerable people;
(3) values the important contribution of volunteers and staff across the country through their local ARC including members, branches and committees; and
(4) acknowledges the ARC’s proud history of service in its centenary year.
CONSTITUENCY STATEMENTS

Airport Noise

Dr LEIGH (Fraser) (09:30): Canberra Airport is a vital transport hub and employment generator within the ACT region. I am pleased to have it located within my electorate because of the pivotal role that it plays throughout the ACT region, but it has been of some concern to me to ensure that Canberra Airport does not impact unnecessarily on surrounding residents. Two years ago I worked, through then Minister Albanese, to contact Airservices Australia to discuss the issue of the Melbourne flight path. I was concerned that the northward growth of suburbs in the Gungahlin region would mean that planes flying north and then turning west might cause noise over areas which had previously been unpopulated—suburbs such as Forde, Bonner, Jacka, Moncrieff, Taylor and Throsby.

I thank Stephen Byron and Noel McCann, from Canberra Airport, and Airservices Australia for the constructive way they have since then worked with the Canberra community to consider changes to the Melbourne departure flight path. In technical terms, jet aircraft departing from runway 35 for destinations to the west can currently turn when they reach 7,000 feet. There is now a proposed amendment so that jets will turn later, avoiding residential areas. That is undergoing an environmental assessment and there are ongoing conversations with the Community Aviation Consultation Group and the Gungahlin Community Council, ably led by Ewan Brown.

I trust that that resolution will be successful and that it will be possible to make a tweak to the Melbourne departure flight path to ensure the impact of aircraft noise on suburbs north of Gungahlin is minimised. It is important that we move these flight paths before suburbs extend northwards so that we can continue the situation which has, to a large extent, existed in the Canberra region: a thriving airport bringing economic activity, tourists and friends to the region—not to mention my fellow parliamentarians—with, at the same time, a minimal impact on the residents of the north side of Canberra. I look forward to working with residents on this and make a commitment to them that my door is open for any Canberra resident wishing to pursue this issue.

Rail Infrastructure

Mr JOHN COBB (Calare) (09:32): In the budget handed down in May, there was $300 million reserved to get the inland rail up and running. This was kicked off quite some years ago under former deputy prime ministers and transport ministers John Anderson and Mark Vaile. John Anderson was responsible for making sure the various inquiries and planning were done. They are coming to fruition now for the first time.

It is more than just having $300 million set aside for the planning and the development. I was in Parkes a couple of weeks ago with the mayors of Forbes and Parkes, Ron Penny and Ken Keith, with a planning team which is now headed up by John Anderson. The government appointed John Anderson to head up the planning team. I saw them there in Parkes doing the planning with a man whose title is planning and development officer to actually make this happen.
When talking about the inland rail, we have to be quite bloody-minded in some ways to make sure it happens. Some people think it means they will be getting on and off at every railway station; that will not happen. This has to be a railway that pays for itself and is commercial. Its job is not to get trucks off roads; its job is to stop a lot of the trucks that will go on the roads in the next 20 years if we do not have more rail. We are never going to get trucks off the roads. Our object in making the inland rail and other railways around Australia what they need to be is to stop, as much as possible, more trucks going on the road. When this project was first put up some 12 or 13 years ago—it might be 14 years ago now—it was said that by 2020, the amount of freight that had to go to port would double, which would almost triple the number of trucks. That is the issue.

We have to go for it. We have to make sure that people understand that a service like this will stop where the freight can hook on straightaway. It cannot stop at every small station; its object is to reduce the time between Brisbane and Melbourne by a lot. This means that the town of Parkes, which has developed over the last 20 years into a freight hub, not just for the central west but also eastern Australia, will be even more of a hub in the future. It will be the hub for Darwin, Perth, Sydney, Melbourne, Brisbane and Adelaide. The major centres of Australia can be loaded from there. It is a part of the future and it is fantastic to see that future begin.

Iraq

Ms VAMVAKINOU (Calwell) (09:35): I would like to thank the Ambassador of the Republic of Iraq, His Excellency Mouayed Saleh, who gave a briefing to parliamentarians in this place on Tuesday in which he raised, obviously, his concerns on the current situation in Iraq and the advance of ISIS fighters. The ambassador also informed us that, despite the conflict in Iraq at the moment, that the will of Iraqi people—whether they be Sunni, Shiite or Christian—is patriotic and committed to the unification of their country. It is something that we, as friends of Iraq, need to be cognisant of.

This will of unity and support for Iraq was also reaffirmed to me by my own constituents. I have spoken many times in the House about the very large Iraqi constituency that I have in my electorate of Calwell, who came here under the humanitarian program. They are predominantly Christians of Chaldean and Assyrian faith. They too are very anxious and deeply concerned about the recent events and destabilisation in Iraq.

My constituents, as I said, have come here as a result of the two previous wars in Iraq and they still have family in the region, whether in Iraq or in refugee camps in the region. Being a Christian minority, they have endured persecution and they are often caught up in the interfaith wars and clashes in Iraq, particularly between the Sunni and the Shiah. I would like to quote from the letter that they have written to me because I think it is very important for this House to understand the concerns of people living in Australia. The Australian Chaldean Federation of Victoria/Australia writes:

We, the Chaldean community organisations of Calwell, believe in a united democratic federal Iraq where all ethnic communities and religions live side by side in harmony and with integrity, a country where we are able to practice our traditions and beliefs without any sectarian or ethnic division.

However, this is not the Iraq that we see today. We send a message of hope to save and protect all the Iraqi civilians, including the minority Christians, which all they want is to live with peace and integrity.
We have great concerns about the recent attack against the Iraqi peoples. No sectarian or ethnic group is safe; they are all exposed to the endangerment presented by the terrorists. They go on to say:

There is nothing left for us to do except to unite as one strong voice, this includes and not limited to different government parties, civil society organisations and the general public. As one, we ask for your sincere support in reconciliation and the denouncement of all forms of violence and religious intolerance and forced migration.

**Elliott, Mrs Lorraine**

Ms O'DWYER (Higgins) (09:38): From the earliest days of Dame Elizabeth Couchman, one of the cofounders of the Liberal Party, and Dame Enid Lyons, who was the first woman to be elected to the House of Representatives, the Liberal Party has a proud history of female participation and achievement both within the organisational and parliamentary ranks. Many more great women have followed in these women's footsteps, including the first female to administer a government department, Dame Annabelle Rankin, right through to our current Speaker.

The importance of role models in our lives is universally recognised and cannot be underestimated. It takes a special person not only to pave a new and unfamiliar path but then to share their experiences, both the good and the not so good, with others. This is particularly true in the robust world of politics. I am sure that all of us in this place have benefited from the experience of those that have gone before us, the examples they have set and indeed the lessons they have provided.

It is in that vein that I rise today to speak about another great Liberal woman, supporter and mentor to so many, Mrs Lorraine Elliott. Lorraine was the member for Mooroolbark in the Parliament of Victoria from 1992 to 2002. While a very capable and well-respected parliamentarian, Lorraine's influence has extended far beyond her responsibilities as a local member. Lorraine has been incredibly active in encouraging all women, and in particular many Liberal women, to engage more fully in the political debate and public life. An active participant within the Liberal Party organisation, Lorraine was metropolitan female vice president and was also keen in establishing the Canterbury Evening Discussion Group. In so doing, she provided an appealing forum, particularly for women, to participate in policy debate in a meaningful and fundamentally satisfying way. Lorraine assisted in fostering many Liberal women parliamentarians, such as Mrs Andrea Coote and Mrs Helen Shardey in the Victorian State Parliament, and the Hon. Judith Troeth and the Hon. Kay Patterson in the federal parliament. Lorraine's contribution in establishing this group has made our state and our country better.

As the newly minted member for Mooroolbark, Lorraine visited my school when I was in year 10 to talk about life, politics and the economy. This was in the early nineties, when Australia was experiencing the Keating Labor recession and the Victorian economy was a basket case as a result of the Cain-Kirner Labor governments. She was the first parliamentarian I heard speak, and what she said resonated deeply with me. She talked about the importance of the economy and how having a successful business sector creates jobs, which in turn generates opportunity and security for families. In her parliamentary career she became the much-loved Parliamentary Secretary for the Arts in the Kennett government from 1992 to 1999, before continuing her services as shadow minister for arts in opposition.
However, her public service has extended beyond the parliament, and she continues to serve her community as president of the Australian Centre for the Moving Image and on the advisory board of St Vincent's Hospital.

After surviving the rough and tumble of Victorian parliament, she faces her biggest challenge of her life as she deals with cancer treatment. I am sure I speak on behalf of many in the Liberal Party when I say to her that we would like to sincerely thank her for her efforts and to wish her all the very, very best for a speedy and full recovery.

**Australian Vietnamese Aged Care Services**

*Mr HAYES* (Fowler—Chief Opposition Whip) (09:41): Last Saturday I had the privilege of attending a fundraising dinner hosted by the Australian Vietnamese Aged Care Services. The charity dinner was organised to raise funds for the Vietnamese nursing home project, an initiative that will deliver, for the very first time in New South Wales, specific and appropriate aged care for Vietnamese migrants. As a federal member representing one of the most multicultural electorates in the whole of Australia, I should note that more than 20 per cent of my electorate are Vietnamese speakers; therefore, I recognise the very significant and unmet need in our community to provide appropriate aged-care services for Vietnamese elderly.

AVACS is a non-profit organisation that has played a pivotal role in advocating for this much-needed service. AVACS is led by a team of doctors, who have hosted a number of consultations and informative sessions throughout the community on the proposal to establish a 68-bed aged-care facility in Smithfield. Currently there is only one other Vietnamese aged-care project operating, and that is in Victoria; therefore, there is a very high demand and need for having a specific aged-care facility for Vietnamese speakers to be established, particularly in the south-west of Sydney where the population of the Vietnamese community is the largest. According to the 2006 census, the Vietnamese community has the second highest proportion of people over the age of 70 living in south-west Sydney.

The Vietnamese nursing home project is a very important development and will not only provide families with peace of mind but will also ensure that the elderly have access to a facility that is culturally, linguistically and religiously sensitive to the needs of elderly Vietnamese Australians. As part of the competitive process of the Aged Care Approvals Rounds under the former government, AVACS was granted a $12 million low-interest loan. I am happy to say that those arrangements have been continued by the current government.

I take the opportunity to acknowledge and commend the board of AVACS for their dedication, their commitment and their very hard work in establishing the nursing home project, particularly its President, Dr David Tang; Vice President, Dr Hao Vu; the Treasurer, Dr Vinh Nguyen; and Secretary, Dr Vinh Tran; as well as their board members Quang Luu, Thanh Nguyen, David Wallace, Lorraine Poulos and a very energetic Dr Diep Nguyen. This is a very important project to fill a need in the community, and one which I fully support.

**Petition: Health Services**

*Dr SOUTHCOTT* (Boothby) (09:44): I rise to table a petition organised by one of my constituents, Emeritus Professor Faith Trent.

This petition relates to the ability of private health funds to pay the gap for outpatient radiotherapy treatment of cancer patients. Professor Trent is a faculty member of Flinders
University in my electorate, and a brief examination of her time there shows she has built up a history of strong contributions to the local community and is greatly respected by the university. Amongst her many achievements she has received an honorary doctorate from Flinders, been awarded the Mary MacKillop Medal and received an Order of Australia for her contributions to education and to the community.

This issue is clearly one that she feels strongly about. For my part, I believe it is important to support those institutions and organisations that work to reduce the incidence and severity of cancer and provide support for those who are afflicted. That is why I have fought to secure the initial $10 million in funding for the new Flinders Centre for Innovation in Cancer. That centre is very close to my heart, since when it opened in 2012 it had been 13 years in the making. I had the privilege of seeing it go all the way from concept to completion during my time as the local member. Now, our community boasts a cancer facility unique on the national level, focusing on what happens with cancer before it occurs so that it can be detected and prevented. It is a place where research occurs in tandem with patient care.

I also believe that cancer patients need support as they go through the treatment process. The Cancer Council South Australia is a wonderful charity that does so much for cancer research and supportive accommodation for cancer patients receiving treatment. That is why for the last few years I have been riding in the Santos Tour Down Under—BUPA Challenge Tour, which raises money to support the Cancer Council SA. The support and generosity of my local community has for this cause was particularly clear in 2012, when they propelled me up the fund-raising leader board to raise over $11,000 for this cause.

On a related matter: in February I was very pleased to represent the Minister for Health and the Commonwealth government at the opening of the Northern Adelaide Cancer Centre. We were shown by Jacqui Adams, the Clinical Director of Cancer Services at Lyell McEwin and Country Health South Australia, an impressive new facility for patients in northern Adelaide and from the country who use that facility. I have great respect for Professor Trent's motivations in organising this petition, and at her request I present it on her behalf.

The petition read as follows—

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

This petition of certain citizens of Australia

Draws to the attention of the House: the legal anomaly which prevents private health funds from paying the gap for outpatient radiotherapy for cancer patients.

We therefore ask the House to: amend the legislation to enable private health funds to pay gap for essential outpatient treatment of radiotherapy for cancer patients.

from 276 citizens

Petition received.

Lilley Electorate: Infrastructure

Mr SWAN (Lilley) (09:47): This year's budget will cause a great deal of pain for families, for young people and for pensioners across the electorate of Lilley. But today I want to talk about its impact on two very important projects, namely, the upgrade of the Gateway Motorway and also the Moreton Bay Rail Link.
The residents of the northern suburbs, particularly in the electorate of Petrie, have been waiting for the Moreton Bay Rail Link for decades—nigh on 30 or 40 years. This is a very substantial commitment that was made by the previous Labor government and it is a project which the current state government has tried on many occasions to stop and to thwart. Fortunately, community pressure has stopped that so far.

Of course, the upgrade to the Gateway Motorway is also critically important because the electorates of Lilley and Petrie sit at the apex of growth pressures in South-East Queensland, containing the Gateway Motorway, the northern rail link and, of course, the airport. What this means is that there is an enormous amount of traffic through those electorates, and particularly traffic which spills over onto suburban roads. That is why the upgrade of the Gateway Motorway is so important. Three years ago, the Labor government delivered $125 million for a significant upgrade to the Gateway, which is taking place right now between Sandgate Road and the Deagon Deviation.

Only last year, Campbell Newman's government tried to put a toll on this road, which would have been very unfortunate indeed and which would have had a dramatic impact on many. That did not go ahead because there was very strong community pressure. And we have to keep that pressure on because now there is also pressure on the funding of the further upgrade of the Gateway Motorway, which our government had committed to. In this budget, something like half of the funds—$579 million—for the further upgrade of the Gateway Motorway is not due to be delivered until after the next election. So the community will have to keep the pressure on the Abbott and Newman government to make sure that that upgrade continues.

But what is more concerning in the budget is that $159 million has been taken from the Moreton Bay Rail Link project, two years out from the delivery of that project. The government has claimed that it will come in $159 million under budget but, of course, this project still has two years to completion and I fail to see how they could make that sort of projection at this stage. There has not been a single track laid yet, but suddenly it is under budget.

So I think this project is also at risk from the savage cuts which are being imposed across the board and impacting on so many families, not just in the electorate of Lilley but across the electorates of Petrie and more broadly in the northern suburbs. These transport links are critical to the quality of life in the north of Brisbane and I will certainly be at the forefront of keeping pressure on both the state and federal governments to make sure they meet their commitments.

**Online Safety**

Mr FLETCHER (Bradfield—Parliamentary Secretary to the Minister for Communications) (09:50): I am very pleased to rise to report on an event held in my electorate recently, on 30 May. It was an event hosted by Turramurra High School and featuring Facebook and Project Rockit. Project Rockit consists of two young women based in Melbourne who are very effective educators on the question of online safety, Rosie and Lucy Thomas. They led a group of year 8 students from Turramurra high in an education and information session about things that you can do to keep yourself safe online. I also want to acknowledge the important role that Facebook played in setting up this event and in providing useful content for it.
Some of the messages that were shared with the year 8 students from Turramurra High School at this event were very important. They were about things that all of us can do, but particularly children and teenagers can do, to stay safe online—this medium which is such a central part of the lives of children and adults today. Amongst the pieces of advice that were given were: do not share your password with anybody, check your privacy settings at facebook.com/privacy to see who can view your posts, and check the audience selector tool each time you post on Facebook in order to make sure you are sharing it with your desired audience.

There was some good advice given about what you can do to help fix things up when online interactions go wrong. For example, if you have shared something you should not have done, Facebook's advice is that the first step is to ask the people you sent it to not to pass it on. If somebody else has posted something you sent them, start by asking them to take it down. Facebook also advises that, if you are tagged in a photo that you do not like, remember that a lot of photo-sharing and social networking sites may let you take your name off any pictures you have been tagged in. On Facebook you can also elect in your privacy settings to review posts that you are taken before they are posted to your timeline—again, facebook.com/privacy.

There are a lot of important practical tips that were shared with the year 8 students from Turramurra High School at this event and there were some good discussions about the things that students can do, that children and young people can do, to help protect themselves online and what they should do when things go wrong online, as they will from time to time. I would like to acknowledge the work of Project Rockit as educators in online safety, the hospitality of Turramurra High School and Principal Stephanie McConnell and also Facebook in supporting this event held at Turramurra High School in my electorate on Friday, 30 May.

**Holt Electorate: Casey Pastors Network**

Mr BYRNE (Holt) (09:53): I rise this morning to talk about and commend a group of very important people who come together under the umbrella of the Casey Pastors Network. This network is led by Pastor Rob Nyhuis and aided by his executive team, which includes Adrian Dennien, Pastor Graeme Cann and Mike Grechko. The Casey Pastors Network have been an important component of what I call the social fabric of my electorate for some period of time in the region. The pastors who form this group do great work and often at great personal expense.

I would like to say that a number of these people are good friends of mine, and what I have observed of these people is that they are there for their communities, their flock, 24 hours a day, seven days a week. They bear a great burden being the spiritual leaders of their communities. But, notwithstanding that great burden that they bear on behalf of their communities and their constituencies, they are always there when you need to talk to them, as I do as a political leader, to ask them about the issues that concern them and my constituency. One relates to youth suicide. They have been very strong supporters of my endeavours to get appropriate services for young people in my constituency.

What I like about what Robert Nyhuis is doing, and what the pastors are doing collectively, is that they come together to talk about local issues within the constituency. They come together to offer each other support, guidance and advice. They bring in guest speakers through the aegis of the Casey Pastors Network Breakfast. What they also do collectively is

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**FEDERATION CHAMBER**
take leadership roles. They are there if there are issues that concern us. Internet pornography is a great issue that seizes us in this area, given that we still have public libraries in my constituency where people can walk in and access internet pornography without any filters. The libraries brazenly say to the people they are allegedly accountable to, the ratepayers of the City of Casey, that this is okay and you do not need filters. The last time I checked, when you walk into a library there is no pornography section you can go in and access.

I strongly support the work of the Casey Pastors Network. They are good men and women who are putting themselves forward to provide spiritual leadership to a community that needs a lot of spiritual leadership. My area is a growth belt area. There are a lot of young people—people who come out and establish their lives and plan a future for their kids. They need the support that the Casey Pastors Network offers. I would like to commend the work they continue to do in this chamber. I will continue to do so as long as I represent the constituency.

**Forestry**

Mr HUTCHINSON (Lyons) (09:56): On Monday evening, our time, in Doha on the other side of the world, the World Heritage Committee rejected Australia's bid to have 74,000 hectares of productive, working forest removed from the listing of 172,000 hectares made in 2013 by the former Labor government. This listing was a product of the Tasmanian Forests Agreement, which was born out of the Tasmanian state-Commonwealth intergovernmental agreement—which was the direct result of a minority green government calling the shots from Hobart and relying on support from Canberra.

I wish to advise the House that, prior to this decision last week, I wrote to the Auditor-General at the Australian National Audit Office seeking clarification regarding the Independent Verification Group appointed as part of the TFA, specifically asking: did any member of the Independent Verification Group declare an existing or potential conflict of interest and if so, how were these conflicts of interest managed?

Fifty-two per cent of my state is already in formal reserves, including national parks and World Heritage. But the very notion of what it means to have a World Heritage listing is about community support and community ownership. Without community ownership, the listing means nothing. We are simply abrogating our responsibility for managing special areas to international bodies, in this case the World Heritage Committee. Not even those supporting and passionately advocating for the 2013 listing disputed the fact that these forests have been, until recent times, working and productive forests. With proper forest management these areas have provided specialty timbers for boat-building and furniture and eucalyptus for sawmilling, house building and flooring. In addition, large areas of the Styx and Florentine valleys were granted concessions and regularly harvested for Australian paper mills based at Boyer in my electorate. These concessions are well documented. It was the professional foresters that identified extraordinarily tall trees in these areas and put in place appropriate protection and management plans to leave these superb specimens undisturbed. This is an uncomfortable fact for those ideologues opposed to the sustainable use, harvest and regrowth of native forest in my home state of Tasmania.

In excess of 90 per cent of the old-growth forests are in permanent reserves, protected in perpetuity. This is something to rightly celebrate, but for some every tree is sacred. These are the ideologues committed to seeing no industrial activity in the forests that cover my state. These are the same people who formed the IVG. They have clear links to the Wilderness
Society and other environmental groups openly committed to destroying Tasmania's native forest industry. This was a political construct that failed to consult with more than 1,000 adjoining property owners directly impacted by the substantive changes to the boundaries in 2013.

**The DEPUTY SPEAKER (Mr Goodenough):** Order! In accordance with standing order 193, the time for constituency statements has concluded.

**ADJOURNMENT**

**Mr HUTCHINSON** (Lyons) (09:59): I move:

That the Federation Chamber do now adjourn.

**Better Futures, Local Solutions Program**

**Ms HALL** (Shortland—Opposition Whip) (10:00): In 2013 I raised on a number of occasions, and shared with the House, the outstanding success of the Better Futures, Local Solutions program in the Wyong local government area of my electorate. It was a program that was rolled out across 10 regions in Australia that targeted acutely disadvantaged families. We had, and we still do have, a fantastic local advisory committee working in that area, and the program enjoyed outstanding successes. It is one of the most outstanding programs that I have been associated with in all the time I have been in parliament. The successes that were achieved were above and beyond expectation; there were a number of programs working under this umbrella that really brought in the bickies.

One of the programs was designed to help young mums with babies to re-engage and develop skills to find employment. Another program was a local employment access program that operated out of Blue Haven. Blue Haven is within the electorate of Dobell, but this program was administered from San Remo, which is in the Shortland electorate. I was devastated to learn that the program had been axed in the budget. It is a program that really delivered to the poorest, the most silent and the most vulnerable members of our communities. The program really goes to the core of what government should be doing—that is, developing and helping change people's lives.

I would like to share with the House some of the figures, and these are raw figures, about the achievements of the LEAP program. The figures are: 40 people gained employment, and these are people where there has been intergenerational unemployment; 41 people completed short-training courses and remained engaged; 83 people are still engaged in long-term training; six young parents completed certificate II in childcare services, health services or hospitality based places; 14 are currently training in cert III aged care and disability based places; 13 participated in Dress for Success; nine completed courses through Staying Home Leaving Violence, and that is a very important program when you are looking at the high levels of domestic violence that exist in this area. Seventy-two people have been referred into the LEAP program since February this year and 32 people are participating in the LEAP activities each and every week. Nine are volunteering for Centrelink's jobless families workshops held fortnightly. My office was involved in those jobless workshops: we went along and we engaged with some of those young jobless families and helped to link them into services.

As well as that, the social return on the investment that has been made in this program is immeasurable. As I was saying, it has really turned people's lives around. There is no program...
that I have seen that has taken a person from being long-term unemployed—from being part of a family that has experienced intergenerational unemployment—to being engaged, to being employed and to having a future the way this program has. The other thing that is really interesting is that malicious damage in the area is down 100 per cent. It is down to zero. There is no graffiti; there is no damage to buildings taking place. This program is going to be removed, and what is it going to be replaced with? CCTV cameras. That is going to do nothing to change the lives of people. That is going to do nothing to encourage families that have been long-term unemployed to engage. I condemn the government for walking away from this program that has made such a difference in the lives of people I represent.

Foetal Alcohol Spectrum Disorder

Dr STONE (Murray) (10:05): Yesterday was a watershed for the nation, with the minister, Fiona Nash, announcing the funding of the first National Fetal Alcohol Spectrum Disorders Action Plan. There has been $9.2 million committed to this strategy. Of course, it is not enough; it is never enough. But this will be the first time that there is national recognition that we have a major epidemic in Australia of babies born with brain damage because their mothers drank during their pregnancies.

The elements of this national strategy followed from the 2012 recommendations of FASD: the hidden harm, which was a parliamentary inquiry into the prevention, diagnosis and management of foetal alcohol spectrum disorders. And I have to say that just tomorrow we are going to have the meeting of a very significant group, the Legislative and Governance Forum on Food Regulation, who will consider labelling of alcohol to identify the risk for a woman drinking while pregnant. That was one of our key recommendations from FASD: the hidden harm.

Of course, labelling of alcohol is just one of the ways in which we must address the fact that in Australia a significant number of women are still in denial or have never heard about the potential damage they do to their foetus if they drink while they are pregnant. Foetal alcohol spectrum disorder, or foetal alcohol syndrome—which is a more serious condition if the mother has been drinking—is the biggest cause of nongenetic brain damage in the newborn in Australia today, and it is increasing in incidence. In our one prevalence study that has been undertaken very recently by an expert multidisciplinary team it was found that between 30 and 50 per cent of children in a small community had FASD as a consequence of their mothers drinking. That is the highest rate of incidence found anywhere in the world, and there is no reason for us, sadly, to think that that community—which in this instance happened to be an Indigenous community—is an unusual circumstance in Australia.

Let me stress that FAS and FASD are not confined to Indigenous communities in Australia. In fact, the incidence of children being born with this brain damage goes right across our society and right across populations of different socioeconomic status. We have women who are older, professional women and who have been enjoying their red wine each night. They finally become pregnant and continue to say, 'Of course, I will have that red wine with my meal.' They do not understand that the consequences could be that their child is born brain damaged and with other serious and significant physical disabilities.

We continue to be in denial about the risks associated with drinking while pregnant because many GPs, gynaecologists, obstetricians and nurses—those who should give women advice in their early pregnancy and during their pregnancy—fail to talk about the dangers of
consuming alcohol. Often tobacco is talked about, or diet and nutrition, but not the consumption of alcohol. So I am very pleased that this national strategy identifies that problem and will specifically address funds towards educating our medical professionals.

A child with FASD—especially a boy—is most likely to end up in prison as a consequence of the cognitive impairment that they have and their incapacity to regulate their behaviour. We also have to educate the magistracy, the police forces, the social workers and the school teachers so that they understand what this condition is and how best to support a child who comes into their care, or who comes before them as an offender.

I just want to talk very briefly about Troy, a 27-year-old man who was diagnosed with FASD in 2002 by a child development specialist. Troy just happens to be Indigenous, but this is not, as I said, an Indigenous story alone. Troy's mother had at least five other children after Troy was born, while continuing to use alcohol. A survivor herself of sexual child abuse and extreme poverty, she has only known violent relationships plus the added stress of losing her children to child protection services. There have been no male role models due to chronic alcoholism and high incarceration rates. Troy's early childhood experiences include the suicide of his father, several uncles and an aunt and he has been the victim of sexual abuse in homes where he sought shelter and while in custody. Troy celebrated one year out of prison on 30 April 2014. This is the longest time he has remained out of jail since he was 11 years old. Troy's life experience is typical of that of sufferers of FASD. Some 50 per cent of mothers with FASD children themselves have foetal alcohol spectrum disorder or foetal alcohol syndrome. These are tragedies the country cannot continue to ignore. At last we have a national strategy to tackle the problem.

**Fuel Excise**

*Mr CONROY (Charlton) (10:10):* I rise to talk about the fuel excise amendment, or petrol tax, which will increase the cost of living of people in my electorate of Charlton, who are going to feel it well and truly in their hip pockets. It is one of a suite of measures in this budget that will be hurting ordinary people. I am forced to use this forum to raise my response to this petrol tax because the government gagged debate on the fuel indexation legislation. The government were so ashamed of their inequitable actions in the legislation that they gagged debate after a very few speakers. They gagged the debate because they were ashamed of the impact of this on low- and middle-income Australians.

I have been contacted by many people in my community who wanted me to raise this issue. I have been contacted by Phil, of Cardiff, who is a person with a disability. Phil contacted me to say that the fuel tax will hurt him because he has no other option but to use his car. He says:

Most disabled people need door-to-door transport in their own cars or vans. Were the price of petrol to increase I fear that many of us would cut down on the use of our vehicles, leading to reduced social interaction and participation in our communities.

If the government proceeds with its plan, I feel it will be necessary to call for a rebate of the full cost of the fuel levy for all holders of an accessible parking permit.

Phil is one example of the impact that this petrol tax will have on low- and middle-income Australians, and in particular on those with disabilities.
The petrol tax will also add a burden to the social service providers who do so much for our community. Southlakes Carers is one of these community organisations meeting a vital health need in my electorate. It provides medical transport, social support services and a day program for elderly people and people with a disability. It has three buses, each of which has a wheelchair and disabled access, which are used to transport clients to medical appointments, social activities such as visiting loved ones and shopping for groceries and to take people to and from the day centre in Morisset. However, the majority of the medical transport services are provided by volunteers who use their own vehicle.

Vivienne Bruce, the manager of Southlakes Carers, tells me she fears the increase in petrol prices will have a devastating impact on her organisation. She says:

Our volunteers are wonderful people who only want to give back to the community. We subsidise their costs, but if petrol costs go up we may not be able to cover it and I'm really worried they may not be able to keep doing it.

Vivienne says the group already struggles to cover costs, and many services are provided at a cost to the organisation. They charge a fee for their services, which Vivienne says is already relatively high, and they are often forced to reduce it for patients who cannot afford the fee. They receive no government support for transport costs and regularly undertake fundraising activities.

The South Lake Macquarie area is located between two health districts, and two major hospitals, John Hunter and Wyong. It is a geographically large area, with few transport options for the elderly or people with a disability. There has been no wheelchair-accessible taxi service in the local area for a decade. The Southlakes Carers buses are the only community transport option for people with a disability in the area, the closest other being the Mercy service at Wallsend.

Vivienne is also a member of the South Lake Macquarie Public Transport Action Group, which is calling for a public bus route between Morisset and Wyong. She describes the need for this:

Currently there is a route between Morisset and Wyong hospital that involves a train trip and between 1-2 bus trips. Many elderly people, however, can't cope with the train system because of the gaps in the platforms, and there is no lift at Wyee station.

This isn't a viable option for patients who need to get to Wyong Hospital. We would like to see a direct route and a subsidised fare that offers easier and more affordable transport options.

She tells me that the biggest problem with the petrol tax is that it is not a cost-of-living increase in isolation. She says:

If the petrol price increases, we may have to pass this on through higher fees.

When you look at the cuts to pensions, and the extra $7 to see the doctor, and then if transport costs are on top of that, it seems obvious—something's got to give.

I'm really worried that people who can't afford to pay any more will simply not go to the doctor.

Across the board, families, businesses, the elderly and people with a disability will be hurt by this government and the measures contained within this budget. When combined, they drive up the cost of living, putting financial pressure and stresses on ordinary people. This is a choice of the government. At the same time that they are gagging debate on budget measures
that attack low- and middle-income Australians, they are putting through this place their rolled gold paid parental leave scheme that will pay millionaires $50,000 to have a baby, whereas the people in Charlton will receive less than $20,000 to have a baby. Why are the babies of Charlton worth $30,000 less than those of North Sydney or Warringa? It yet again demonstrates the skewed priorities of this government that is intent on attacking the people who can least afford it.

**AUSVEG National Convention**

Mr BUCHHOLZ (Wright—Government Whip) (10:15): One of the privileges of being a member in this House is that, on occasions, I have the opportunity to stand and sing the praises of outstanding contributions by people in my community, the people in my electorate of Wright. Whether it be a community interest group, a specific region that has achieved, a specific industry group, a service group or maybe even an individual, I have no greater pleasure than acknowledging their contributions.

I start today by acknowledging the people from my electorate who were at AUSVEG National Convention held recently in Cairns. It was the biggest and most successful AUSVEG National Convention ever held in the history of the national peak industry body. In excess of 1,000 horticulture industry members attended the 2014 national convention, trade show and awards for excellence. Horticulture's best and brightest were treated to an evening of entertainment and recognition at the 2014 AUSVEG National Awards for Excellence. Involved in that outstanding event were none other than the guys from Kalfresh, a local carrot farmer and processor; a second-generation operation. They were the sponsors of the Great Debate. I thank the Hinrichsen family for their contribution to a fantastic weekend. Nominees for categories included Bauer's Organic Farm from the Lockyer Valley. Those guys are doing outstanding stuff on new ground. There was Bruce Wickham from Gatton who has farms around Warwick and has strong links in the transport sector. Bruce, we acknowledge your contribution and nomination. Belinda Adams took out one of the awards—she is from just inside my electorate—and that was well deserved. I look forward to seeing her farm.

A local Lockyer Valley success story, Mulgowie Farming Company, received the Industry Impact Award. This award is in recognition of the local grower's business as an industry trailblazer. It is also acknowledgement of the business's development of an Australian-first innovation involving supplying ready-fresh trimmed beans direct from the farm to the market. Mulgowie Farming Company's cleaned and trimmed beans were first launched in Australia in September 2012 and are now currently stocked in over 800 retail outlets right across Australia, making a significant contribution to growth in the Australian fresh bean category.

None other than Mrs Melinda Brimblecombe received the Women in Horticulture Award. Mrs Brimblecombe received the award in recognition of her contribution to championing the role of women in production horticulture and the mentoring of women within the Australian industry. We have mums who stay at home and look after the books for the farm and have an incredible amount of talent. She has been trying to qualify their skills through a certificate III in horticulture, including recognition of prior learning, which is the underlying driver.

I would like to acknowledge in the House today the Australian dairy industry. This morning I had the opportunity to attend the Developing Dairy Leaders Program, which was developed in response to the Australian Dairy Industry Council's *Dairy leadership—an industry blueprint 2010-15*, which identified 150 to 200 leadership roles across the industry.
requiring 40 new leaders to fill the positions each year. Throughout the program, participants increased their understanding of the dairy industry and the political environment in which it operates. They learnt to articulate, present and debate ideas and develop their policy development skills. One the representatives from our area here today with the dairy industry is none other than Luke Stock. Luke, you are who you are, my friend, because of the discipline that your parents have instilled in you. You will be an outstanding dairy operator into the future. I know that your father, Alan, and mother, Dolores, are eternally proud of you, as I am, for the work that you do in the community.

Also this week we had our Men's Shed guys from up in the electorate down here, so I also acknowledge John Greatrex for the work he does. He is from Boonah but is the vice-president of the Queensland Men's Shed Association, and he does great work. It is wonderful to see the bipartisan support that both sides of the House have for the good work that is conducted by the Men's Shed Association, and I acknowledge all the different branches.

Also in the House yesterday were St Bernard school students from years six and seven; 99 of them came to Canberra. Mums and Dads who will be reading this in their local newsletter know that they were very well behaved and that I will see them at their 100th-year celebrations.

**Fuel Excise**

Ms COLLINS (Franklin) (10:20): It is great to actually get an opportunity to speak in the parliament this week, having had my name down to speak every day this week and not getting an opportunity to represent the constituents of my electorate due to the government gags on the bills that we have been dealing with this week. I have been wanting to stand up to speak out against some of these measures, particularly, of course, yesterday, on the fuel tax increase. It is very important for people of Tasmania, very important in regional and remote and rural Australia. We know that in rural areas, and I know in my own electorate, so many people will be affected by this fuel excise increase. It is of course particularly concerning given that the Prime Minister said prior to the election, 'What you'll get under us are tax cuts without new taxes' and 'There should be no new tax collection without an election'. Well, of course he said that before the election and has got into government and come into this place and increased the fuel tax. Petrol tax is going up because of this government not telling the truth before the election and coming in and increasing the fuel tax.

It is not going to be well received in my home state of Tasmania. It is certainly not going to be well received in the electorate of Franklin. Many, many people and families are struggling and they will struggle even further with this additional cost to their family budgets. Indeed, RACT chief Harvey Lennon has said:

We have more people living outside the capital city than any other city and we have more people that don't have access to public transport.

Tasmanians do rely more on their vehicle and therefore anything which directly increases the cost of using motor vehicle does mean that Tasmanians as a whole will be more disadvantaged.

And indeed they will—Tasmanians as a whole and people in regional Australia. And of course there are people on the other side who are concerned about this $2.2 billion tax collection over the four years. We have had Senator Macdonald come out and say that he will not support it without a regional impact study. You would have thought that the regional development department would have been asked to do an impact study of this budget. But I
have actually asked several questions of the Minister for Infrastructure and Regional Development, the Deputy Prime Minister, about a regional impact study of this and other budget measures, and of course there has not been one done. And there was not going to be one done. But we did hear a revelation last week that the Treasurer has committed to come up with regional modelling on the Prime Minister’s new fuel tax, according to Senator Macdonald. I would like to know where that is and whether it is going to be made public. Are we actually going to get to see what the modelling of the fuel tax increase looks like in regional Australia? I am sure the people of regional Australia would love to see it. I wonder where it is. The fuel excise was passed by the House of Representatives yesterday with a gag motion, without people having the ability to speak on it. It is now in the Senate. I wonder if Senator Macdonald has it, and I wonder if it will be shared with the public. Of course, we know it will not.

Interestingly, the Deputy Prime Minister in the past has been a supporter of lower fuel prices, which I am sure you will not be surprised to hear. Indeed, he said:

As a farmer and as someone who lives in a regional area, I know as well as anyone the real impact of rising fuel prices on the household budget. It affects every family in Australia. It means that money that would otherwise be available to spend on things that might be a family priority needs to be used to power the family motor vehicle or undertake other tasks in the region. … All Australians want lower fuel prices.

Well, he is quite right about that. This government should have been honest with the people before they went to the election about this fuel price increase. It is not okay to get elected saying ‘no new taxes’ and ‘no tax increases’ and then come into government and put up the fuel tax. It will really hurt people in my home state of Tasmania and people in regional areas right across the country. And the Deputy Prime Minister has in the past actually been an advocate of lowering petrol prices. But we know what happened here. We know that the Nationals got dudged by the Liberals in the government over this measure. We know that the diesel fuel rate was put out there as a bit of a furphy so the Nationals would focus on that and not actually care if they got a fuel excise increase instead of the diesel fuel rebate. But, of course, it was all a ruse to get the Nationals to come into line.

Senator Macdonald has the guts to stand up. Where are the other National Party members? Why are they not standing up for their areas in this place and saying they do not agree with this? Where is that regional impact study that was promised to Senator Macdonald? We need to see it. It should be made public, and every member of this House should have been able to see that regional impact study before we were asked to come in here yesterday, on a gag motion, and vote to increase the petrol tax. I do not support it, my electorate does not support it and most Australians do not support it. (Time expired)

Budget

Mr NIKOLIC (Bass) (10:25): If you ever wanted to see rampant hypocrisy, you have just seen it from the member for Franklin. She comes into this chamber complaining about a 40c per tank rise in the fuel excise—an excise that Labor introduced. Yet the member for Franklin, with her Greens mates, votes against the repeal of the carbon tax, which would deliver $550 in savings to Tasmanian families. She comes into this chamber—

Honourable members interjecting—

The DEPUTY SPEAKER: Order!
Mr NIKOLIC: What rampant hypocrisy. She walks out of the chamber, the member for Franklin. What cowardice. She stands up here talking about savings for Tasmanian families and walks out of the chamber when I am about to tell her that, on 20 June, the front page of *The Examiner* said that if we repeal the carbon tax it will create an eight per cent reduction in electricity prices for Tasmanian families. So enough of the hypocrisy from those on the other side, in what is a very long Labor tradition.

On 11 June, Brendan O'Connor, the member for Gorton, paid a visit to Launceston—only a few weeks after the member for Jagajaga, Ms Jenny Macklin, also made a visit. Like the member for Franklin, they both came with a big bag of fake skeletons and scary spiders but with very few facts to share with my community. Like vaudeville shysters, their caravan rolled into town with its bile and confected outrage, serving no useful purpose but to scare the residents of my state. They were assisted in their nefarious activities by Senator Helen Polley, Senator for Tasmania.

The member for Jagajaga claimed during her visit that pensioner concessions would be cut, which, understandably, created anxiety among the people of Tasmania. Yet Will Hodgman, the Premier of Tasmania, had made it clear that pensioners will continue to receive these concessions. He said, in an article in *The Examiner* on 30 May, that the Commonwealth contribution to these concessions was relatively minor and the state government would ensure there was no change to concessions from 1 July.

The member for Jagajaga also claimed that pensions would be cut from July, again knowing that was untrue and that her comments would cause anxiety. But do not believe me—I know those opposite are very fond of the ABC Fact Check organisation. Here is what Fact Check had to say about the member for Jagajaga's claims. They concluded that her claim about pension cuts was 'unfounded'. Here is what Fact Check said:

Ms Macklin's claim is unfounded.
And:
The Government is not cutting conditions for current age pensioners now or in the future.

It takes a very special form of bastardry to scare vulnerable people, but that is exactly the effect these untrue claims had. Where is the apology from the member for Jagajaga to our senior Australians? What does she say to the many Australians she misled with her mendacious claims? But there was no apology.

She was assisted in her propaganda by Launceston based Senator Helen Polley, who authorised an article in last Saturday's *The Examiner* referring to changes to the GST. The problem with that is the government has explicitly said there will be no change to the GST—full stop, end of story. Senator Polley also claimed education was being cut, yet federal government funding to Tasmanian state schools will rise by 46.4 per cent over the next five years. Having authorised this advertisement, Senator Polley should reflect on why she is causing unnecessary anxiety among our constituency.

The member for Gorton had the audacity to bemoan the high unemployment rate in Tasmania. Why didn't he explain that unemployment in Tasmania, after 16 years of state Labor government and six years of a Labor-Greens government at the federal level, is the highest in the nation? Both youth and adult unemployment rates are the highest in the nation, and we have the lowest participation rate in the nation.
These Labor politicians are all scare and no solution. They make no mention about the damaging economic legacy they left behind after six years at the federal level—$191 billion in achieved deficits, $123 billion in deficits across the forward estimates, gross debt rising to $667 billion a year, and we borrow a billion dollars every month just to pay the interest on our debt. So if those opposite are keen to talk to us about effects on people in our community, let them look within their own house and the appalling record they have created in the last six years, and stop scaring members of my community.

**Australia Post**

Mr DANBY (Melbourne Ports) (10:30): Despite his cigar buddy, the member for North Sydney, repeatedly calling for full privatisation of the government’s remaining assets, in late May Finance Minister Mathias Cormann begrudgingly said that the Abbott government has no plans to sell Australia Post. Considering the number of backflips by this government on key policy promises I do not find the minister's claim reassuring.

Over the last year or so a number of well-placed articles have pointed out that Australia Post has more than $4 billion in assets, and selling it off would be a nice windfall for this allegedly cash-strapped government. It would also be a great asset strip for some unknown Sydney merchant bankers. Australia Post chairman, Mr Stanhope, and the Business Council of Australia are of course in favour of privatisation.

What is more important, though, is that the ideological brains trust of this government, the tea party libertarians of the Institute for Public Affairs, have argued that there is no sound rationale for Australia Post to stay in government hands. We all remember the great pow-wow to honour the IPA held last year at the arts centre in Melbourne and attended by Rupert Murdoch and all the knobs in the now government. It was at that function that all of this was lauded and organised. We have seen Attorney-General Brandis’s kamikaze mission, developed by the IPA, to dump 18C. When the IPA says ‘jump’ the government says ‘How high, and would you like a highly paid commissioner with that?’ When it is considered politically opportune we will hear from Senator Cormann saying 'hasta la vista' to Australia Post.

In the last few weeks it has become even more obvious that the ground is being prepared for privatisation. The pig is being fattened. We have been told by the Australia Post CEO that because Australians are sending fewer letters the letter delivery side of Australia Post's operations is bleeding money. Thus, to avoid so-called extinction, the Australia Post workforce is being reduced by 900, with Communications Minister Turnbull seeming to agree with these reductions in Australia Post services, and with those advocating to reduce mail delivery to three times a week. Most people probably do not realise that communicating by mail is less important than it was. In my view, the IPA’s Australian Post narrative has not nearly been questioned to the extent it should be. I say this because despite popular perceptions Australia Post is profitable overall. Last year it made $312 million. The organisation returned a dividend to the government of $244 million and paid taxes of $44.7 million. These profits have come overwhelmingly from the delivery of parcels, so losses in the mail delivery side of the business of $218 million were picked up on the parcel side, with $648 million.

Conveniently for privatisation purposes, Australia Post's parcel delivery service is undertaken by a wholly owned company, Star Track Express. Separating Australia Post's
business in this way helps the argument that Australia Post is a sinking behemoth in need of radical surgery, potentially followed by privatisation.

If Australia Post overall is still providing healthy dividends to the government, what is the driving rationale? Mr Murdoch's tabloid newspapers famously cross-subsidise his flagship, The Australian. Why is it so absurd for one arm of a government service like Australia Post to cross-subsidise another, particularly when we are all paying taxes for that major service?

Australia Post and Mr Turnbull are concerned about reducing costs. I can suggest what they could turn to. The Australia Post CEO earned $4.75 million last year. By contrast, the CEO of Royal Mail was paid $2.14 million, and as recently as 2012 US Postmaster General Donahoe received $512,000, a figure that was decried in the US despite the fact that he is running a $65 billion business. But the Australia Post CEO is not the only high-paid executive at Australia Post. There are currently 435 Australia Post senior employees earning more than $193,000—three times as many individuals as there are MPs in the federal parliament, and they do not get the three-year interview. That is a total of more than $120 million spent on the CEO and his senior employees each year.

If Australians were aware of how profitable this 105-year-old institution is and how much its senior executives are earning, I am sure they would be disgusted at the arguments to cut its mail services and the talk of eventual privatisation. They might ask the Minister for Communications why they pay taxes if they are going to be denied these services. Instead of considering the public interest, however, the IPA, the Australia Post leadership and the terminator faction in the Liberal Party are pursuing a singly ideological agenda against Australia Post that is not in the public interest.

**Employment**

**Trade Support Loans Program**

Mr GOODENOUGH (Moore) (10:35): Recent labour market forecasts predict significant jobs growth in Western Australia over the next decade. The Chamber of Commerce and Industry of WA projects that the state will require an extra 488,500 workers in the decade leading up to 2020. Furthermore, analysis by the WA Department of Training and Workforce Development indicates that WA may experience a net shortfall of between 133,000 and 150,000 workers by 2017. Of all new jobs forecast to be created in the years leading up to 2017, 16.7 per cent of the new jobs are expected to be required in the mining and construction industries, with over 44 per cent of new jobs created in the retail, manufacturing, healthcare, education, training, professional, scientific and technical services industries. Recent research by the CCIWA also corroborates the forecast that WA is likely to experience a shortage of up to 210,000 workers by 2020.

To address the impending skills shortage, the Abbott government has an Economic Action Strategy to build our nation through the development of a skilled workforce. One such initiative is the Trade Support Loans program, which is an integral part of the government's collection of measures designed to provide wider opportunities for our young and mature-age people alike to study at university or complete vocational education and training and apprenticeships through student loans and scholarships.

Under the Trade Support Loans program, apprentices will be able to access concessional trade support loans of up to $20,000 to assist them in completing four-year apprenticeships.
At a time when there is a shortage of skilled labour in certain industries, it is an important initiative by government to ensure that Australia develops the skilled workforce required. By becoming more self-sufficient in key industries, our nation will be less reliant on foreign skilled labour provided by overseas workers, such as those on 457 visas. Based on the current National Skills Needs List, there are 149,000 apprentices training in high-priority qualifications, with a further 70,000 commencing each year. It is forecast that 59,600 apprentices already in training will take up the loans from 1 July 2014, and between 35,000 and 42,000 new apprentices will join the program each year leading up to 2018.

In my electorate of Moore, there are an estimated 1,329 apprentices currently in training and a significant talent pool of aspirational young people who will benefit by enrolling in a range of the vocational training facilities based locally. The West Coast Institute Trades North campus in Clarkson trains approximately 900 students each week in pre-apprenticeships, apprenticeships and trades training in the areas of bricklaying, electrical work, metal fabrication, carpentry, tiling and plastering. The institute's main Joondalup campus delivers more than 130 different training qualifications ranging from certificate I to advanced diploma. In particular, the Academy of Hospitality and Culinary Arts has partnered with Hospitality Group Training to deliver accelerated apprenticeships in commercial cookery.

Similarly, the College of Electrical Training in Joondalup is operated by the National Electrical and Communications Association of WA with the capacity to train up to 1,000 apprentice electricians. The federal government provided a $2.7 million grant to build this training facility. Also located in Joondalup is the Motor Industry Training Association, which provides a range of automotive courses in mechanical repairs, electronic diagnostics, panel beating and spray painting. Catering for both light-passenger and heavy vehicles, the facility is operated by the Motor Trade Association of WA and provides a hands-on, practical learning experience for apprentices.

In summary, the Trade Support Loans program represents just one aspect of the government's Economic Action Strategy to develop a skilled workforce that will drive the future economic development of our nation. It provides people with the opportunity to acquire skills, participate in the workforce and seek reward for their efforts.

**Hunter Electorate: Environment**

Mr FITZGIBBON (Hunter) (10:40): Tragically, in September 2012 Norwegian company Norsk Hydro closed permanently an aluminium smelter in my electorate. It was in a town known as Kurri Kurri. The result was the loss of almost 400 jobs. This was tragic for the local community. The smelter had been in operation since 1969 and was obviously a bedrock of the local economy.

I was not particularly critical of Hydro at the time. They had briefed me over the course of a long period of time about the challenges they faced, and I accepted, at least partially, that it was an old smelter using old technology. It was relatively small compared to some of the huge smelters we now see around the world that enjoy large economies of scale. The Australian dollar was very high, affecting their export income. Aluminium prices had fallen dramatically, and metal prices generally had fallen dramatically. And the company had had all sorts of trouble trying to secure a more competitive electricity contract with the New South Wales government owned providers of energy. So despite the best efforts of the workforce, which had dramatically upped its productivity levels, the company took the decision to close
the plant. It was a very sad day for the community, and the impact of that decision still flows into the local economy today and will continue to flow into it for some time. Again, I was not particularly critical of the company at the time. I think it made the decision that it was always going to make, and the decision had no doubt been a long time in the making.

However, I am going to be critical of the company today, very critical, because I am advised that the company has potentially made an application to the New South Wales government to dispose of its toxic spent potlining underground in a disused mine, also in my electorate. I will not name the mine, or the former mine, because I am not sure of my facts on that, but I have it on very good advice that is its intention. It has a lot of spent potlining after so many decades of operation; it will cost the company literally millions to dispose of the potlining safely. It really needs to be reprocessed somehow. I do not understand the science of that, but it needs to be reprocessed. I understand that obviously this is an expensive activity, but it is totally unacceptable, and will be totally unacceptable to the communities I represent, if Hydro continues with this idea of burying the spent potlining underground in a disused mine.

I am further advised that the intention is to encase the spent potlining in concrete. It is well known, and there is plenty of scientific literature on this subject, that this will not protect the local people or the local environment because spent potlining's toxicity and salinity will eat its way through concrete. I know it has been used in road base in the past, and that has been well and truly proven, so encasing it in concrete will not settle the concerns of my local community. I absolutely reject this application. I absolutely reject the idea that we are going to be used as a waste dump for a toxic waste product. My advice to Norsk Hydro is to stop this process now. They are wasting their time and money processing this application through the state government.

On this day when the MRRT will be debated again in the parliament, I express my disappointment and concern that the low-income super contribution scheme is about to be scrapped, denying some 3.6 million Australians what they rightly deserve. We cannot have our super scheme only benefiting those on high incomes, it must be used to assist others. I make the point that 24 of the 25 electorates which will be most affected by this are in rural and regional Australia, including those of the members for Page, Eden-Monaro, Braddon, Lyons, Bass, Capricornia and Flynn. Those members should be in their party room standing up for their constituents and insisting that the low-income super contribution scheme be retained. It is for those who earn less than $37,000 a year. These are the people that need and deserve this allowance.

**International Development Assistance**

*Mrs PRENTICE (Ryan) (10:45):* In psychology, behaviour is defined as irrational if an action continues to be repeated despite its repeated failure to achieve the desired outcome. On this definition, our aid policy towards many recipient countries has been irrational for many years. Despite many millions of dollars in Australian aid and Millennium Development Goals, key development indicators such as literacy rates, infant mortality, life expectancy and real income per capita were either stagnating or, in many cases, deteriorating. While this has started to turn around in recent years, we have known for decades about our delivery shortcomings.
In the light of inherent failures, many advocated for a more interventionist aid policy. While this view may have had popular appeal in the media, it would have had serious adverse implications for our relationship with, for example, Pacific island countries and even Indonesia. Worse, it would have given succour to the view of our Asian critics, who have claimed that Australia continues to harbour colonial aspirations. We have to accept that to be successful the aid policy must not just help reduce mass poverty, but that it also has to do as a guest in the aid recipient country. To do otherwise is not aid but imperialism, whether intentional or not.

The Marasin Meri aid concept focused on building a low-cost community distribution system for health services in Papua New Guinea. Coverage of health services across Papua New Guinea has actually been declining over the past decade. The challenges of distance, language, isolation, declining numbers of formal and informal health workers and poor transportation contribute to this. The distribution of key public health commodities to communities is sporadic through the government system due to a broken supply chain, lack of transparency in commodity procurement and inadequate health infrastructure. Infectious diseases, including malaria, HIV and diseases from poor water and sanitation, dominate the cause structure of mortality.

Marasin Meri aims to develop a financially self-sustaining, secure and reliable solution to delivering essential health solutions to poor communities in Papua New Guinea, incorporating the key elements of social franchising, health products, village women as community health promoters and microfinance. Targeted products will include bed nets, purification tablets, contraceptives, condoms, dewormers, ORS, paracetamol, vitamins, safe birth kits and personal care products. The products would be regularly delivered at agreed wholesale prices at common meeting places. Product selection would focus on prevention, treatment and personal hygiene.

Much of the concept behind the Marasin Meri plan has been introduced in varying degrees of strength across Papua New Guinea, through private enterprise, religious organisations or volunteer aid organisations, such as Zonta International. Many private corporations with business ventures in PNG have, as part of their contract to operate in Papua New Guinea, introduced privately-funded aid programs, which have had serious positive impacts on the country and its people.

The enhanced community health project incorporates community education, awareness and training to address health and wellness initiatives and encourage disease prevention, reproductive health behaviours and awareness on non-communicable disease issues. The program includes scholarships to in-service health care workers and pre-service students from project areas to pursue health subjects at the Divine Word University in Madang. The PNG LNG Project boasted at the end of August 2013 that almost 7,700 Papua New Guinea citizens were employed on project activities. These are just some of the successes that results-based aid programs can achieve.

The foreign minister announced the Australian government's new aid paradigm last week, which identifies that traditional approaches to aid are no longer good enough and that aid alone is no solution for poverty. New strict performance benchmarks will ensure that aid spending is accountable to taxpayers and will actually achieve results. The foreign minister established a new Development Innovation Hub in the Department of Foreign Affairs and
Trade to engage creative thinkers from inside and outside the public sector from Australia and overseas to look at new ways to deliver aid.

The new aid paradigm will see Australia continue to be one of the world's most generous aid donors, with a responsible, affordable and sustainable aid budget of more than $5 billion a year. This announcement represents a significant and positive policy shift that reflects our commitment to economic growth, poverty reduction and increased standards of living in developing nations in our region.

I would like to take this opportunity to congratulate the foreign minister for her efforts to improve the efficiency and effectiveness of our foreign aid program, realising that the success of aid should not be determined by dollars spent but rather by actual results on the ground.

**Environment**

**Dr LEIGH** (Fraser) (10:51): NASA has confirmed that the world's 20-hottest years on record have all been since 1990, and 13 of the 14 hottest were all since 2000. The *State of the climate 2014* report from the Bureau of Meteorology and the CSIRO has therefore called for 'large and sustained net global reductions in greenhouse gases'.

With climate records being smashed in Australia and across the globe, now is the time for action. The US Congress's first priority was a price on carbon, co-sponsored by a senior Republican, John McCain. Unable to pursue that path, President Obama has launched a clean air strategy at a children's asthma centre. The United States is aiming to hit a target of reducing carbon pollution by 17 per cent by 2020. China has a clean air problem too and is putting in place emissions trading schemes in seven cities and provinces, covering more than 200 million people.

As a result of Labor's action in putting a price on carbon pollution the main global investment index for renewable energy placed Australia in the top four places to invest, alongside three powerhouses: China, Germany and the United States. Renewable energy now provides 15 per cent of Australia's electricity; 3.1 million Australians now live and work below a set of solar panels.

A new study by the Clean Energy Council has shown that Australia's renewable energy target can lead to lower power prices in the long run. The government's own figures show the biggest emissions drop in Australia in 24 years: 0.8 per cent overall and 11 per cent in the electricity sector.

And yet, according to a report from the Global Legislators Organisation and the Grantham Research Institute at the London School of Economics which covers 66 nations that account for 88 per cent of global emissions, only two are rolling back their action on climate change. Japan, as a result of Fukushima disaster, and Australia.

Here in the parliament we have had the Abbott government effectively gagging the parliament of any meaningful debate on this vital issue. Prime Minister Abbott claims that he is part of a cadre of disgruntled conservative leaders, but those comments were immediately disavowed by New Zealand Prime Minister John Key, who said, 'This government takes climate change seriously. That is ... why we're actively involved in international climate change efforts.' In the United Kingdom, David Cameron—a Conservative prime minister—is part of a British emissions trading scheme. Al Gore, in the Great Hall last night, made absolutely clear that a price on carbon is a priority for dealing with climate change.
But the Abbott government's wrecking-ball approach to the environment does not just stop at climate change. There has been a decision by Tony Abbott and Greg Hunt to allow the dumping of three million cubic metres of dredge spoil in Barrier Reef waters at Abbot Point. The budget has ripped funding from grass-roots environmental programs, the CSIRO, the Bureau of Meteorology and renewable energy initiatives. It cuts $10 million from the Bureau of Meteorology, $483 million out of Landcare and $2.8 million from the Great Barrier Reef Marine Park Authority.

In the ACT, the Conservation Council ACT Region has lost its annual federal grant of $50,000—a cut of 20 per cent to its core budget. I commend Clare Henderson and her colleagues for working hard to make that organisation work in the absence of this grant.

As shadow minister for the environment, Mark Butler, has noted, this makes Australia an international laughing stock for our climate record. Strikingly, the World Heritage Committee has had an application to delist a section of world heritage area. That makes Australia only the third country in 40 years, after Oman and Tanzania, that has sought to delist one of its own heritage areas. Thankfully, the committee rejected the application to delist 74,000 hectares of Tasmanian wilderness—a stunning victory for those who spoke up about it.

The tourism potential of areas like the Great Barrier Reef and Kakadu supports around 60,000 direct jobs and billions of dollars of economic activity, and yet Prime Minister Abbott and Greg Hunt are stuck in the past on issues of the environment. On climate change, they are still mired in the disappointment of Copenhagen in 2009 and the Prime Minister's comments that climate change was 'absolute crap'. They are unwilling to recognise that the world is moving forward, putting in place emissions trading schemes across the globe. It is ironic that the so-called free-market Liberal party is more hostile to emissions trading markets than the nominally communist country of China.

**Petition: Israel**

Mr DANBY (Melbourne Ports) (10:56): I would like to present this petition on behalf of 3,741 constituents of mine. I particularly pay tribute to those women of conscious, Lisa De Winter and Tzipporah Oliver who stood outside various shops organising this in two or three days for the three boys who have been kidnapped, Eyal Yifrah, Naftali Frenkel and Gil-Ad Shaer. Two of them are only 16, and we pray for their successful release from kidnap and that they return unharmed.

I am pleased to present this petition, and thank the whips for agreeing to this.

The DEPUTY SPEAKER (Mr Randall): The document will be forwarded to the Standing Committee on Petitions for its consideration. It will be accepted subject to confirmation by the committee that it conforms to the standing orders.

Mr Danby: I seek leave to incorporate the petition.

Leave granted.

*The document read as follows—*
To the Honourable The Speaker and Members of the House of Representatives
This petition of certain citizens and residents of Australia:
1. Draws attention to the House that teenagers; Eyal Yifrah (19) Naftali Frenkel (16) and Gil-Ad Shaer (16) were kidnapped while travelling home near Gush Etzion in the West Bank.
2. Draws attention to the House the widely held belief that Hamas is involved in the kidnapping.

We therefore ask the House to:
1. Condemn the kidnapping.
2. Request that the Executive Government convey to the Palestinian Authority its firm belief that the Palestinian Authority must co-operate and co-ordinate with Israeli Authorities in their efforts to secure the release of these teenagers.
3. Request that the Executive Government request NGO's such as UNWRA, Oxfam, Human Rights Watch and the Red Cross (organisations which are the beneficiaries of Australian taxpayers financial support) to exercise their influence on Hamas to ensure that the teenagers are released unharmed.

from 3,741 citizens

Climate Change

Dr JENSEN (Tangney) (10:56): So we see yet more hypocrisy from Al Gore, the global-warming guru, and I say that in every negative context associated with the word. Last night, Al Gore proved that he will do anything and say anything for a buck—something that has been clear to me for a long time, but something that I think the credulous media is only starting to catch up on. I hope, after last night, Labor and the Greens continue to quote him and follow what he suggests.

Last night Al Gore, hypocrite extraordinaire, actually agreed that Australia should scrap the carbon tax. So no doubt his adoring Labor and Greens fawning followers will vote to repeal the carbon tax. They should—after all, 'Al told 'em so'! No doubt they will fail to do so, as they too are hypocritical.

My advice to Clive Palmer regarding Al Gore? Start believing Al Gore when he actually lives the carbon-dioxide-constrained lifestyle he advocates for everyone else. And make sure that your wallet is in a very secure location when in close proximity to him—Gore will take money for anything.

One question that must be asked, given the member for Fairfax's new position on the renewable energy target and the Clean Energy Finance Corporation, is: what investments might Al Gore have that might prove lucrative by retaining the RET and the CEFC? We know from past experience that everything Al Gore does is with a view to profit him directly, or advantage him in some way. Investigation of these schemes and what organisations are getting advantage, and whether Gore has shares in those companies, would prove no doubt that Gore has a pecuniary vested interest in those schemes.

Remember, Al Gore, as Vice President of the United States, voted against the US ratifying the Kyoto protocol. This was clearly because that was to his political advantage, given that he knew he was likely to run for president in 2000 and that Kyoto was unpopular in the US. Clearly, it is not only in a financial sense that Al Gore is for sale. For Al Gore, everything is up for negotiation, as long as there is profit or advantage for Al Gore. For those who watch Star Trek, there is no-one he reminds me of more than the Ferengi species, where profit is the first, last and only important factor. Let us look at Al Gore's hypocrisy. He lives in a mansion in Tennessee where he consumes 20 times as much energy as the average American household, and Americans are not renowned for being parsimonious in their energy use. But that is only one of many houses that Al Gore has. Gore sold his TV network, Current TV, to Al Jazeera, a network that is funded by Qatar. In other words, when he sold his TV station, he
was paid in petrodollars despite all of his raging against the evils of the fossil fuel industry. He made around $70 million profit—a nice little earner—and Gore is not really earnest enough about the evils related to global warming to forgo profit however hypocritical that makes him.

Gore now bemoans new generation nuclear reactors being around 15 years away. Meanwhile, in 1994, when he was Vice President, the Clinton-Gore administration shut down work on the Integral Fast Reactor. Had they not, that sort of design would be commercial now and would be making an active contribution to global power generation. Then there is Gore's jetting around the world, once again, a huge carbon footprint. In fact his personal carbon footprint is probably larger than a number of small towns in some parts of the world—and all of this before we even get to the blatant untruths that Gore spins on the science of climate change. He is either science illiterate or is quite happy to spew whatever unscientific climate nonsense he needs to further enrich himself. I doubt that I have ever seen a bigger hypocrite and fabricator, and I would suggest the member for Fairfax be very careful associating himself with Gore whatever the media and profile benefits.

Community Legal Centres

Mr GRIFFIN (Bruce) (11:01): I rise in the chamber to raise concerns about the way that this government is treating community legal centres and to grieve the cuts that have been made to their funding and to remind the parliament and the community of the excellent work that community legal centres do. Not-for-profit legal services are there to help people who need help, people who cannot afford to employ lawyers themselves, often people who cannot access legal aid. They provide very basic services, but very important services that have a real impact on people in the community who are doing it tough. As the member for Holt, who is here, would know, there are a number of legal services in our local area that provide this service, in particular the Casey Cardinia Community Legal Service, the Springvale Monash Legal Service and also, in my electorate, the Monash Oakleigh Legal Service. These centres provide excellent services and important services.

When you go to the question of the value of legal services, on average community legal centres have an economic cost-benefit ratio of one to 18, that is, for every dollar spent by government on funding community legal centres, they return a benefit to society that is 18 times that cost. Community legal centres add significant value to their funding by attracting over 4½ thousand volunteers, 24,000 hours of work per week and over 50,000 hours through pro bono partnerships every year. This has come from information provided by the legal centres' peak organisation but it is information which is well and truly attributed. From my own point of view in terms of being a local member, I know that I have had a number of staff over the last 20 years who at various times have volunteered and assisted at local legal centres and I know the sorts of jobs they have had to do and the importance that has with respect to the needs of the local community.

I am also very concerned that the Attorney-General Senator Brandis has also announced changes with respect to the roles of legal centres and what they are actually supposed to be able to do with Commonwealth funding. I quote from the shadow Attorney-General Mark Dreyfus in a recent speech when he said:

The government proposes to amend the Community Legal Services Program service agreement to exclude 'law reform and legal policy activities' from the definition of CLC activities that the
Commonwealth funds. The government proposes also to remove clause 5 of the agreement, inserted by the last Labor government. That clause affirmed the commitment of our government that conditions attached to Commonwealth funding to CLCs would not 'stifle legitimate debate or prevent organisations engaging in advocacy activities'.

These activities are actually very important because we have an organic legal system. We have a system which basically we need to continually review, one we have to continually update to take into account the needs of the society that we represent. The fact is that people who are working at the coalface, helping those who are not in a fortunate situation with respect to their capacity to seek legal support and advocacy services, are often the people that will see the harsh, hard end of the legal system.

Those people who are representing them in these environments are often the ones who come to understand the failings of our legal system and are often in a position to be able to articulate and advocate as to what should be the changes that are needed to ensure that our system maintains its relevance to the society that we are all part of. In fact, the Productivity Commission, in its draft report *Access to justice arrangements*, made a number of points with respect to this. It said:

Legal assistance lawyers, on the other hand, are uniquely placed to identify systemic issues, particularly those affecting disadvantaged Australians.

The commission said:

... advocacy [work] can benefit those people affected by a particular systemic issue, but, by clarifying the law, it can also benefit the community more broadly and improve access to justice …

There is no doubt that these cuts are going to have a terrible impact on the most disadvantaged in our community. There is no doubt that it is going to ensure that we do not have as much information coming forward from within a very active and vibrant part of our legal system to actually suggest what changes need to be made and, in fact, how we can improve our legal system. And there is no doubt we are going to see massive unmet demand.

Even before these changes have been made, even before they have been announced, the circumstances were that the unmet demands with regard to services in this area were already significant, with nearly half a million people in 2012-13 turned away because there just were not the resources there to provide for their needs. If that is what was happening before, then these cuts are going to have a very detrimental effect on the quality of justice within the Australian community; they are doing to have a very detrimental effect on people who need help to just get a fair go within Australian society. These changes need to be reversed, and if members of the coalition are genuinely concerned about those who are not doing so well in society and need assistance, they need to take action to ensure that the Attorney-General and the government change their mind.

**Carbon Pricing**

Mr COLEMAN (Banks) (11:06): I rise this morning to speak about an issue that is very important in my electorate—that is, the policies relating to climate change and, in particular, their impact on the cost of living. The first point to make is that once one accepts that climate change is an issue that must be addressed, then all of the debate should be focused on one very simple point, which is: what is the best way of addressing the issue? What is the most sensible way? Clearly the most sensible way is the way that addresses concerns while minimising the impact on the economy. Presumably no-one on either side of the House has a
perverse desire to unnecessarily smash the economy, but of course that is precisely what the carbon tax does. It is $550 a year for the average household in my electorate of Banks. That is a very substantial impost and it is a policy that has been a disastrous failure.

The Labor Party, prior to the last election, said they would be the terminators of the carbon tax, but they have in fact become its human shield—and that is a very sorry chapter in the Labor Party's history. It is important, in looking at the carbon tax, to note that Australia is way out of line with international practice. We have effectively taken a position that has deliberately made Australia uncompetitive relative to its peers because, despite what those opposite say, we know that other carbon taxes or emissions trading schemes are not widespread in other nations and, to the extent they do exist, they are at much smaller levels. So in China, which is often cited as an example, there is an emissions trading system in three areas, but virtually all of the permits are given away for free. It is a very long way from a comprehensive emissions trading scheme. The United States has one state, California, which has an emissions trading scheme, but that state has a much lower cost than the $24 a tonne that is charged in Australia. Indeed, this does not apply across the board to all industries in the manner of the Australian carbon tax.

It is interesting to reflect. In what other field of policy would a government unilaterally decide to take action that makes a nation uncompetitive? It would be similar to entering a free trade agreement and saying, 'We're just going to remove all of our barriers to entry and all of our tariffs. You can do whatever you want.' There is no sense of quid pro quo or any desire to ensure that Australian businesses are on a level playing field. The consequence of that is that, when businesses consider where they should invest their precious capital, they are much less likely to go to a place with such an unfair and excessive tax. That is why those opposite should get on board. There is still time. They should encourage their colleagues in the Senate to support the repeal of the carbon tax because the Australian people could not have been any clearer at the last election as to what they want to happen with this bad tax.

The Direct Action Plan, through a wide range of means, will have a practical impact on reducing emissions, whether that is through soil carbon capture projects, methane related projects, incentives in the transport space or farming. There is a wide range of very practical, tangible initiatives with a bankable reduction in emissions that Direct Action will see occur. The fundamental question is: if you are trying to minimise the impact of climate change, why wouldn't you have taken an approach that minimises the negative effect on the economy? Why would any sensible government seek to follow a policy that hurts business and costs ordinary families $550 a year? Banks want to see the carbon tax eliminated, and that is certainly what this government plans to do.

Science

Ms CLAYDON (Newcastle) (11:11): I rise today to raise my concerns for the future of science in Australia under this seemingly flat-earth government. The Prime Minister has said that we should not judge his ministry by their titles but, instead, judge them by their actions. Their actions on science are very clear. They do not understand science, they do not see the importance of science and they clearly do not believe science has a future in Australia. This is a science-denying government. For the first time since 1931, we have a government without a science minister. Australia is one of only three countries in the OECD without a science or innovation strategy. The other two are Portugal and Luxembourg. We have a Prime Minister
who has not called a meeting of his own Science, Engineering and Innovation Council since he was elected more than nine months ago. We have a government with an incoherent approach to science, not as described by the Opposition but as described by one of their own members—a doctor of science, no less—the member for Tangney. We have a government which is slashing funding from scientific agencies, sacking scientists, cutting programs, making science more expensive for students and even abolishing agencies like the Clean Energy Council which are making scientific breakthroughs and returning large economic dividends. This government is setting the scene for an Australia without scientists.

Australia is a country with a proud history in science, innovation and new discoveries. Our premier research agency, the CSIRO, has by itself made scientific breakthroughs that change the way we live: wi-fi, polymer bank notes, the hendra virus vaccine, traffic management's Safe-T-Cam, Aerogard and the first influenza vaccine. The list is impressive and goes on and on.

My electorate of Newcastle is home to CSIRO's National Energy Centre. The centre plays host to world-leading scientists specialising in renewable energy and low-emission fossil fuel research. Earlier this month they announced another breakthrough, this time in solar energy generation. For the first time, solar energy was used to generate the hottest supercritical steam ever achieved outside of fossil fuel sources. This breakthrough has been described as the equivalent of breaking the sound barrier and confirms the potential of solar energy to be used to drive power station turbines now fuelled by coal or gas. It is a truly remarkable feat and an important breakthrough for our planet's future.

These same world-leading scientists are now fighting for their jobs with the government's $111 million cut to CSIRO's budget. Five hundred jobs will be lost across the country at CSIRO and, while the 120 staff at Newcastle's Energy Centre are yet to learn their fate, the writing is on the wall. This government does not understand or respect the importance of the research they are undertaking. This week, CSIRO scientists took part in nationwide action against cuts to their budget, with about 80 staff attending a rally in Newcastle on Tuesday.

Condemnation of this government's approach to science has been broad, both internationally and here in Australia, from industry and science bodies and, as I mentioned earlier, from both sides of the House. Ian Dunlop, former chair of the Australian Coal Association, has said:

Science has disappeared from the government's priorities just at the time we need it most.

Professor Ian Chubb, Australia's Chief Scientist, said after the budget was handed down:

While I recognise that no area of Government expenditure is immune from savings, I am concerned about the impact these reductions could have on our overall capacity in science.

Respected international scientific journal *Nature* has blogged about CSIRO's woes. And Leigh Dayton, at the prestigious *Science* magazine website, recently warned his readers that 'the bad news just keeps coming for Australia's scientific community'.

This government is also putting our scientists of the future in danger—and into massive debt. Its suggestion of teaching-only universities with no research could lead to a significant decline in scientist numbers. And NATSEM calculations show that the government's move to deregulate university fees will lead to significantly higher fees for science students in the future, and for females in particular. A female science graduate under a full fee scenario, as
proposed by the government, would pay off her degree in 13.9 years, up from 8.4 years, with her total repayments increasing by an estimated $51,500.

To paraphrase Ian Dunlop, we are at a time when we need scientists more than ever and this government is abandoning them. I urge the Prime Minister to listen to the experts and to listen to his own backbench. It is time to start making smart decisions for our future. Appointing a science minister to guide our research, keeping university affordable for scientists and supporting renewables is a great start. *(Time expired)*

**Middle East**

Ms O'DWYER (Higgins) (11:16): I rise today to speak on an issue important to my electorate of Higgins. Over the past year an individual, or perhaps individuals, has been distributing a pamphlet throughout my electorate that I believe is deeply offensive and factually wrong. This pamphlet is part of a worrying trend of increasing racism around the world directed towards one particular group of people—that is, the Jewish people. It needs to be called out for what it is and repudiated unequivocally. This pamphlet refers to the so-called ethnic cleansing of Palestine and 'Israel's strategic goal to erase Palestine as a geographical, political and cultural identity'.

I am fortunate to have visited Israel twice. I spent time in all parts of the country, including in Bethlehem and Ramallah. For those vile people distributing this material, I say, 'Go to Israel'. You will see no evidence of systematic extermination like we are currently seeing in Iraq. Instead, you will see Arab members of the Israeli Knesset, you will see Palestinians attending Israeli universities and you will see the wounded from Syria being treated in Israeli hospitals. In fact, for the uneducated people distributing this propaganda, they should be aware that the only authorities in the region that have an official position of extermination are the terrorist organisations who call for the destruction of Israel. In its charter, Hamas states that 'the last hour would not come until the Muslims fight against the Jews and the Muslims would kill them'. It goes on to say that 'there is no solution to the Palestinian problem except by Jihad'.

The propaganda being distributed is part of a wider, insidious campaign to delegitimise the state of Israel and, in my view, spread anti-Semitism. Campaigns like these are orchestrated by the Boycott, Divestment and Sanctions Movement. The proponents of the BDS movement claim to be standing up for human rights, yet they protest against the only country in the region that has freedom of religion, freedom of sexuality and equal rights for women. By criticising Israel they are, in fact, criticising all that they claim to believe in. Supporters of the BDS are deliberately delegitimising the only safe haven for homosexuals in the region.

It may surprise some people to discover the groups that support the BDS in Australia. They include the CFMEU and the AMWU, unions that financially support the Labor Party and preselect Labor candidates for parliament. Members of the Australian Greens also support the BDS. I call on all the political leaders of this country to reject this hypocritical and hateful campaign and instead look for positive and productive ways to create peace in the Middle East.

Finally, I would like to comment on the cowardly nature of the creators and distributors of this pamphlet. Despite being political in nature, there is no authorisation and no name attributed to it. While I am happy to state my views on the record, the people responsible for
this pamphlet hide behind their anonymity. I challenge them to have the decency to put their name to the material they have produced. In conclusion, allow me to state for the record: neither I nor my office has anything to do with the production or distribution of this offensive pamphlet.

Hume, Father David

Ms ROWLAND (Greenway) (11:19): I rise today to pay tribute to the life and contribution of a great man, a giant in the Stanhope Gardens/Glenwood area and throughout the electorate of Greenway, the Reverend Father David Hume. A prominent Catholic priest in Greenway and also the Greater Western Sydney area, he very unexpectedly passed away on 14 June. His passing is a great loss to his family and community.

Father Dave was a pioneer for education. His passion touched many of his students and his congregation. He spent 20 years teaching at Catholic schools around New South Wales, from Strathfield to Penrith and from Goulburn to Wollongong, before becoming a priest in 2005. He was a treasured brother and brother-in-law to Mary and Ian, Bernadette and Stephen, Joseph, Frank, Anne and Steve, who was also a priest. He was also a much beloved uncle.

I will detail some examples of his work ethic and achievements. He was with the Christian Brothers from 1976 to 1995 at St Patrick's primary, Goulburn; St Thomas boys school, Lewisham; St Patrick's College, Strathfield; St Patrick's College, Goulburn; Edmund Rice College, Wollongong; and St Dominic's College in Penrith. He was a lay teacher from 1996 to 2000 at Holy Cross in Ryde, in the Bathurst district and at Oakhill College in Castle Hill. He was at the Seminary of the Good Shepherd from 2001 to 2005 and he was ordained a priest only in 2005, so he had his calling to become ordained relatively late in life. He was the assistant priest at St Patrick's Cathedral Parramatta, the assistant priest at St Andrews's Parish in Marayong, the administrator of St Paul the Apostle at Winston Hills, and finally our beloved parish priest at what was Blessed John XXIII, now St John XXIII, at Stanhope Gardens.

His requiem mass was held on Monday, the principal celebrant being Bishop Anthony Fisher, the Bishop of Parramatta, but also in attendance were Bishop Manning and scores of local priests from the Parramatta diocese. Father Dave was greatly loved by everyone who knew him. He was the attendent priest at the school community of John XXIII Catholic primary school and St Mark's Catholic College in Stanhope Gardens. He was a fanatic fan of the St George Dragons. At the end of every mass he would end with a prayer for the Dragons. As his brother Father Steve commented in the homily that he gave, the Dragons on the weekend breaking their losing streak by one point was probably his first miracle. Good luck to him.

We are also losing from the St John's community Peter Stoyles, who has been the principal of St John's and St Mark's college. Incidentally, he was a fellow student of Father Dave and, as he commented, he did lose a great friend. They were classmates at Christian Brothers in Lewisham. I will quote from Mr Stoyles:

He's got an enormous capacity to love and he always sees the good in people. He'll be very looked after in heaven because he was a very good man who loved his fish and chips.

What more could you ask for?
Being the fifth of seven children must not have been easy but, as his brother commented in his homily, they had the happiest upbringing that they could hope for. His priestly ministry and his educative achievements will live on in his students and also his congregation. I think that the number of people who attended on Monday, including me, to farewell him was testament to the deep love that his community had for him. He was also an incredibly modest man. As his brother also commented, unfortunately his capacity to give so much of himself probably led to his very early death. He was only in his mid-50s at the time of his death. He was incapable of saying no to people and never took his holidays. The bishop said it did not matter how much you tried to tell him that he had to take a break, he never did. He always published his mobile number in the Parish bulletin and he always answered it.

I will end by reading from Father David's farewell mass booklet:

You will never know how much your love, faith, prayerfulness and any needed support inspired Fr Dave to greatness, in being Christ's humble and tireless priest. And Fr Dave would say in response: "I have never heard so much rubbish in all my life. The man who wrote this about me is a fool."

Rest in peace, Father Dave. You will be very sadly missed.

**Gilmore Electorate: Shoalhaven Paper Mill**

**Gilmore Electorate: Regional Development Australia**

*Mrs SUDMALIS (Gilmore) (11:24):* I rise to update the House on a situation I raised last week with the procurement of Australian passport paper. The Shoalhaven Paper Mill in my electorate of Gilmore is the sole Australian manufacturer of security paper used in documents like Australian passports and Reserve Bank bonds. This secure paper manufacturing industry supports almost 100 jobs in my region, and it is an enterprise worthy of advocacy and promotion. The security products we make in Gilmore are world class, and the quality at each stage of the manufacturing process is truly impressive. Our people have unique and high-level skills.

Recently I signed the Australian paper and pulp pledge, committing to use only Australian-made paper and paper products in my electorate office wherever possible. I would like to place on record my appreciation of Karen Cole, Jack Evans and Paul Ryan of the Shoalhaven Paper Mill for bringing this issue to my attention in the first instance. At that meeting with the paper mill employees, I promised to organise discussions with the senior federal ministers to seek assurances that the future of passport paper production would remain local, and to ensure that Australian made paper remains government's only paper of choice.

On the issue of passports, I must report to the House that I have excellent news. I have been working with the minister and discussing the issues with her. This morning I received correspondence from the Minister for Foreign Affairs, Julie Bishop, and I would like to read from that letter: 'Since your meeting I am pleased to confirm that the government's passport booklet supplier, Note Printing Australia, which has a contract with Shoalhaven Paper Mill to provide secure paper for passports, will continue to source passport paper from the Shoalhaven Paper Mill. … The demand for passports continues to rise. It is forecast that there will be an increase in demand of nearly seven per cent in the next financial year 2014-15.' It is an honour to have been able to negotiate on behalf of the over one hundred Gilmore residents that rely on this manufacturing plant.
I would like now to go to another good news story in my electorate: the awarding of a $250,000 grant to Regional Development Australia Far South Coast, in order to continue the South Coast Youth Volunteering Initiative and the Shoalhaven Youth Volunteering Initiative, an amazing set of programs that encourage young people from Nowra to Bega to get involved in their local communities, through service organisations like the RFS, SES and Surf Life Saving. This inspiring initiative takes students from across the region and introduces them to everyday community volunteering opportunities.

This program has made an especially huge difference for one school in particular. RDA Far South Coast last year was able to take more than 25 students from this school alone and teach them firefighting skills, helping them to become nationally accredited volunteer firefighters. I would like to read to the House an excerpt from one of our local papers, the South Coast Register, of 17 March, reporting on just how successful this program is in our region:

INSPIRED by the excitement of hands on experience with the Rural Fire Service, two students from Shoalhaven High School have become fire-fighting volunteers at Callala Bay.

After completing their training last year with the Regional Development Australia program known as the Shoalhaven Youth Volunteer Initiative, the year 11 students Brett Thomas and Kerry Redshaw said they were just happy to be doing something for their community.

... ... ...

Shoalhaven Youth Volunteer Initiative co-ordinator Alan Mulley said the course was conducted in partnership with the Far South Coast Rural Fire Service in 2001.

He said since that time more than 2000 students had been trained by emergency service agencies such as the Rural Fire Brigade.

"It is a five-day course and the students go to South Nowra where they fulfil theoretical and practical training," Mr Mulley said.

"The students learn the value of volunteering and gain knowledge which contributes to their resume.

"Many of the students we train go on to become volunteers."

More than 50 per cent of our current RFS membership and SES volunteers throughout Gilmore have begun their volunteering in this way, which has significantly decreased the average age of these organisations.

This week especially has seen the benefit of this local and successful initiative. With severe wind damage throughout Gilmore, particularly in the Shoalhaven, these well-trained volunteers have been part of the clean-up crews.

Gilmore has many wonderful beaches, and we need members for 11 Surf Life Saving clubs. Our beaches are now safer because of these wonderful volunteers giving their time.

I need to honour these volunteers who have come through the school program and then joined their community organisations to give of their time, their service and their energy. They are truly to be commended for all the work they do. This is simply an outstanding community investment.

Question agreed to.

Federation Chamber adjourned at 11:29.